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## NEWS SUMMARY

### GENERAL

#### Zaire pushes back rebels

Zaire Government forces last night recaptured Kolwezi airport from rebels, according to the official Zaire news agency. It said French-trained troops staged the successful counter-attack after parachuting into the mining town.

The United States promised to try to meet requests from Zaire for equipment and petrol to help fight the rebels in Shaba province. Western embassies in Lusaka are seeking Zambian co-operation in plans to evacuate more than 3,000 foreigners caught up in the fighting.

Mr. John Vorster, the South African Prime Minister, said that if the rebellion in Zaire was Marxist-inspired, it was unthinkable that Western States could stand aside with arms folded. The Russians yesterday denied any involvement in the Zaire fighting. Page 4

### Selwyn-Lloyd dies

Lord Selwyn-Lloyd, former Foreign Secretary and Chancellor of the Exchequer, died at his home in Oxfordshire last night. He retired from active politics two years ago after a parliamentary career spanning more than 30 years.

### Soviet trial

Soviet state prosecutor has demanded the maximum sentence of seven years in a labour camp for Yuri Ushakov, on trial in Moscow for alleged anti-Soviet agitation, the dissident's wife told Western reporters last night. The physicist is on trial over the activities of a group formed to monitor Soviet performance on human rights. Page 2

### Chaplin's body

Police yesterday found the body of Charlie Chaplin buried in a cornfield 12 miles from the Swiss village where he came from. The grave robbers stole it 11 weeks ago. Two men, believed to be a Bulgarian and a Pole, have been arrested.

### Military move

U.S. State Department said it did not believe that a coup was being attempted in the Dominican Republic, where troops moved in to stop the counting of votes in the presidential elections. The State Department said it hoped the military intervention would be temporary. In Peru, the military government is likely to postpone next month's elections for a constituent assembly. Earlier stories, Page 4

### Terror attack

Gunmen on motor-scooters shot and wounded a policeman in Turin only 12 hours after the Italian Parliament approved tough new laws to tackle political violence. "Business as usual" for Government, Page 2.

Tuchin's, a civil guardman died from stab wounds received during clashes between political extremists a week ago.

### Briefly...

Mr. John Cockcroft, 43, Conservative MP for Nantwich, was taken from the House of Commons by ambulance last night, after being found unconscious.

Bombers struck in the heart of Belfast for the first time in several weeks yesterday, when a blast damaged the ground floor of a post office building.

William Steinberg, former music director of the London Philharmonic and the Pittsburgh and Boston Symphonies, has died at the age of 78.

New scanning invention for studying brain disease was demonstrated at a London teaching hospital. Page 8

Gay News publishers and Mr. Denis Lemon, its editor, were given leave to appeal to the House of Lords against conviction for blasphemous libel.

Prince Charles left for Melbourne to represent the Queen at the funeral of Sir Robert Menzies, former Australian Prime Minister.

### CHIEF PRICE CHANGES YESTERDAY

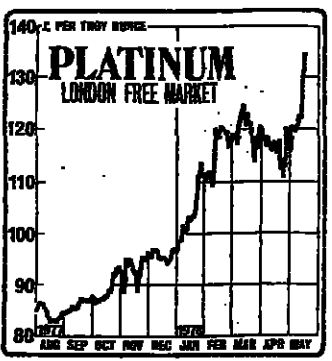
(Prices in pence unless otherwise indicated)

RISERS	
Allen (W. G.)	54 + 4
Assed. Newspaper	156 + 5
Beales (J.)	65 + 7
Brent Chemicals	179 + 5
Brown (J.)	353 + 8
Camelias Int.	75 + 5
Capor-Well	133 + 20
Crosby House	80 + 4
Gomme Hides	285 + 10
Heath (C. E.)	71 + 4
Intersec	108 + 51
Johnson Cleaners	122 + 3
Lon. & Midland Inds.	220 + 20
Myddleton Hotels	123 + 9
Pennine Motor	270 + 10
Tuchin's	270 + 10
Samuel (H.) A.	72 + 4
Urd. City Merchants	72 + 4

### BUSINESS

#### Platinum up £6 to new high; Gilts drift

PLATINUM prices rose sharply to a new high in London



with a gain of £6 to £134.60 a troy ounce.

● **EQUITIES** began the day firmly, but drifted later in lack of interest. The FT ordinary index closed 1.3 down at 480.3.

● **GILTS** were inhibited by anxieties over sterling. The Government Securities index closed 0.02 down at 112.2.

● **STERLING** gained 35 points to \$1.8135. Its trade-weighted index was 61.5 (61.6) and the dollar's depreciation narrowed slightly to 4.81 per cent (4.85).

● **GOLD** rose \$2 to \$1771 in London, and the New York Comex May settlement price was 40 points lower at \$176.50.

● **WALL STREET** closed 4.07 up at 558.37.

● **WITHDRAWAL** of the Government's compulsory metrication programme has been greeted with dismay by industry and jubilation by the Tory party. Back and Page 9

● **BP MINERALS**, set up 18 months ago by BP, has announced substantial finds of sulphides in Victoria, Australia. Back Page 9

● **JAPAN's** balance of payments remained in surplus in spite of a massive outflow of capital last month. The trade surplus was \$2.24bn. Back Page 9

● **QUEBEC** will have its own currency if it becomes independent of Canada, the Quebec finance minister has said.

● **DEPARTMENT** of Trade is to look into the share dealings by directors of the Elliott Group of Peterborough following up information supplied by the Stock Exchange. Back Page 9

● **BRITISH LEYLAND** is wooing Britain's 1.5m. learner-drivers with incentives to driving schools which include cheap credit and free extras. Back Page 9

● **ARGVILL FIELD** is back on stream after repairs had shut down supply for three months. Page 6

● **ALLIED BREWERIES** has decided to stop the £5.50 a week bonuses of 1,100 workers in Birmingham because, it claims, there has been no real productivity improvement to justify the money. Page 8

### COMPANIES

● **F. W. WOOLWORTH** pre-tax profit in the three months to April 30 fell from £5.78m to £5.53m on turnover up from £164.15m to £177.74m. Page 23 and Lex

● **DUPORE** pre-tax profits for 1977 fell from £11.45m to £8.02m mainly reflecting a severe setback in the domestic products division. Page 23 and Lex

● **BRITISH AEROSPACE** earned a trading profit of £65m in 1977 on sales of £580m, compared with £56m profit previously on sales of £740m, when BA's four constituent companies were still separate. Page 8.

## Bonn ready for deal on growth with EEC partners

BY JONATHAN CARR: Bonn, May 17

West Germany is ready to consider a deal under which it would seek more economic growth at home in return for renunciation of trade protectionist measures by its European Community partners.

Count Otto Lambsdorff, West German Economics Minister, said that he believed such a move could be both useful and helpful, and that discussions should take place in Brussels.

In making his remarks in an interview published in the Bonn newspaper General-Anzeiger today, Count Lambsdorff took a big step forward in the heated debate that began earlier this month in the EEC's Council of Ministers.

He noted that his statement in the Council on the dangers of protectionism had since been commented on ironically by Mr. Edmund Dell, British Secretary for Trade.

Count Lambsdorff said today he appreciated that it was hard for a country like Britain to embrace a really free trade and economic policy after 20 or 30 years' experience of one form of State intervention after another.

But Dr. David Owen, British Foreign Secretary, had observed that protectionism was closely linked to other matters, including economic growth and under-employment.

Count Lambsdorff said he agreed with this, then went on to make his proposal for a package deal.

The West Germans have long been privately preparing themselves for some sort of deal, to emerge formally at the Western economic summit conference to be held here in July.

So far, no consensus has been reached on just what their contribution might be.

Many in Government are privately ready to concede that the official aim of 3.5 per cent real growth in GNP can hardly be fulfilled.

It is recognised that this is bound to bring foreign pressure for further efforts by Bonn to stimulate the economy.

However, there has been disagreement not only on the desirability of a new growth programme but on the possibilities for financing it.

Herr Helmut Schmidt, West German Chancellor, said only yesterday that the Government had already gone to the tolerable limits of State indebtedness to try to bring about an economic upswing.

Count Lambsdorff's comments make clear that he considers such a programme at least feasible.

They also underline the deep and increasing concern with which the West Germans view the rise of protectionism, which many here see as a bigger long-run threat to exports than the fall of the dollar.

Bonn recognises that protective measures for some exceptionally

Lucas France, whose turnover is around £140m, wants to diversify its source of supply and respond to growing objections of the big French motor manufacturers to being tied to under-panies, is being fiercely opposed.

The opposition is coming from SEV-Marchal, made up of a group of small component makers and 70 per cent owned by Ferodo of France and 30 per cent by the West German company Bosch.

Lucas France, a subsidiary of Lucas Industries of the UK, already holds 49 per cent of Ducellier and it and DBA are bound by pre-emptive sale clauses.

It has told the French Government that if the sale goes ahead, it would be prepared to sell a minority stake in Ducellier through a third of the capital—to French interests.

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## Flexible phase four call by CBI

By John Elliott, Industrial Editor

THE CONFEDERATION of British Industry took a significant step yesterday toward accepting that either Parliament or the Government should have a permanent influence on wage bargaining in the private sector.

Its monthly council meeting decided to approve a policy document calling for greater flexibility, with no Government sanctions, in the next phase of pay policy.

The document maps out a longer-term plan for a Parliamentary select committee to be set up to produce annual economic reports aimed at improving public understanding of what the country can afford in wage rises.

These proposals met with considerable criticism from members of the CBI council, though they were eventually approved as a basis for discussion.

Representatives of small companies were among the most vocal critics because they feared that however much the CBI might insist it was against both "corporate State" methods and pay norms, the main proposals in the document amounted to support for some form of continuing interference in free collective bargaining.

The more dominant worry among industrialists was that the council was what would happen at the end of this summer if there were no pay controls.

Fearing that trade union opposition to pay moderation would increase immediately after the next General Election and that the inflation rate might rise, the policy document says: "Given the imbalance of bargaining power, pay settlements would more reflect the strength of particular groups than the financial state of the private sector."

The CBI will urge Mr. Denis Healey, the Chancellor of the Exchequer, at two meetings in the coming weeks to start moves toward its longer-term idea for creation of a body like a Parliamentary select committee on the economy. Its leaders know that the idea may appeal more to the Conservative Party than to the present Government.

Last week in the Commons the Prime Minister was critical of the idea.

He attended the CBI annual dinner on Tuesday night and is now believed to have decided not to dismiss the proposal out of hand, provided it would not lead to MPs on such a committee having the power to intervene directly on pay issues.

He is aware that union leaders are unlikely to want to see such a new arena for pay debates created, and there is also considerable opposition among senior civil servants.

Annual report, Page 8  
Men and Matters, Page 20

## Earnings rise faster than prices

BY DAVID FREUD

LIVING STANDARDS are now rising steadily on average as earnings outstrip the declining level of inflation.

In the year to March average earnings rose in the UK 10.1 per cent, according to Department of Employment figures released yesterday. Retail prices went up by 9.1 per cent in the same period, while figures tomorrow are expected to show a retail price index rise of about 8 per cent in the 12 months to April.

Over the annual pay round the earnings increase will be considerably higher. The figures seem to be in line with an increase in average earnings of about 14 per cent under Phase Three of the Government's pay policy and conform to internal Treasury estimates.

Overall real disposable incomes are expected to have risen by about 7 per cent in the year to mid-1978, helped by

the tax cuts announced in the Budget and last October's economic package.

The new figures appeared at the same time as a Treasury warning that excessive growth in wage costs could reverse the recent downward trend in the inflation rate.

The leading article in the latest Treasury Economic Progress Report suggests that the increase in UK wage costs per unit of output is currently higher than in any other major industrial country, except Italy.

In the eight months since August, when the present wage round began, workers in industry and transport saw an earnings rise of 9.7 per cent on a seasonally adjusted basis. This is shown by the Department of Employment's index of pay movements, which still provides the best indicator of short term movements.

In the same period a year earlier, that index was up by 7.7 per cent and it rose by only another 1.2 per cent in the remainder of the year.

But at this stage of the wage round last year some 80 per cent of workers had concluded a Phase Two deal, while the number of settlements this year is less than 66 per cent of the total.

Still to settle this time are the 1m workers in the construction industry, who 12 months ago had already concluded a Phase Two deal. Other groups which have so far not settled include local authority staffs, food manufacturing workers and industrial civil servants.

The Department said that about 85 per cent of workers who had so far settled had accepted increases consistent with the Government's 10 per cent pay ceiling.

Productivity deals, from which about one in ten of workers had benefited, would add between 1 and 2 per cent to the earnings increase for the year.

Basic wage rates saw a sharp jump from a year-on-year increase of 6.3 per cent in March to 14.1 per cent in April.

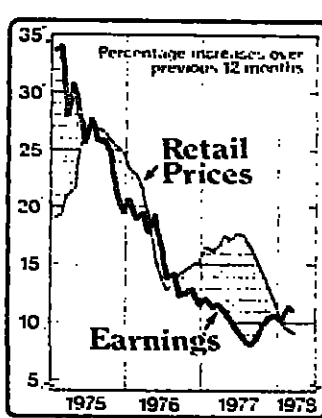
This was mainly due to the national rates for engineering workers, which were raised in April after remaining unchanged since the beginning of 1976.

Since engineering workers' wages are in practice settled at local level, this does not reflect a real increase.

Of the two MPs who hold the balance on the committee Mr. Enoch Powell voted for the amendment, and Mr. John Parnell, the Liberal economic spokesman, voted against it.

The increased duty — which puts 7p on a packet of 20 cigarettes in the upper-middle and high tar groups — is due to come into effect on September 4. The amendment would have postponed it to a date to be decided next January.

The amendment was rejected when Mrs. Joyce Butler, the committee chairman, cast her vote against it.



## Lucas France bid to buy Ducellier stake opposed

BY DAVID CURRY

PARIS, May 17.

THE ATTEMPT by Lucas France to buy for £140m the 51 per cent stake in the French motor electrical component manufacturer Ducellier now held by DBA, one of the U.S. Bendix group of companies, is being fiercely opposed.

The opposition is coming from SEV-Marchal, made up of a group of small component makers and 70 per cent owned by Ferodo of France and 30 per cent by the West German company Bosch.

Lucas France, a subsidiary of Lucas Industries of the UK, already holds 49 per cent of Ducellier and it and DBA are bound by pre-emptive sale clauses.

It has told the French Government that if the sale goes ahead, it would be prepared to sell a minority stake in Ducellier through a third of the capital—to French interests.

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## EUROPEAN NEWS

## France renews jobs pact on tougher terms

BY DAVID CURRY

THE FRENCH Cabinet decided today to renew the tax concessions it offers industry to recruit young workers. But the new version of the employment pact, to run from July 1 until the end of next year, is much less generous than the pre-election scheme of July last year.

It was announced today that unemployment again increased in April, taking the seasonally-adjusted figure up from 1.07m. to 1.086m, a rise of 1.5 per cent. The crude figures declined by 2.5 per cent to 1.047m. The adjusted total for unfilled vacancies

showed a drop of 500 to 90,000, while the crude figures were about 2,500 up to 90,000.

The main difference between the new version of the employment pact and its predecessor is that the new measures will be available only for companies employing no more than 500 workers and having a turnover of no more than FFr 100m (£12.5m) a year. The concessions will apply for one year from the date of recruitment of the worker.

Instead of total exemption from social charges, companies will only get 50 per cent relief from taxation, and they must prove

that they are hiring additional people rather than simply using the legislation to change their workforce.

The categories of beneficiaries are slightly wider. In addition to young people in the 18 to 26 age group, who must be within a year of finishing school or national service, widowed and divorced women and unmarried mothers are also included.

The new proposals also cover job and professional training, and in-house training schemes. On the whole, these programmes have been shortened and the remuneration paid to trainees reduced. Job training courses

are reduced from a maximum of six months, and the payment is reduced to 75 per cent of the national minimum wage.

Practical in-work training for manual workers is halved to four months, and while the pay remains 90 per cent of the minimum wage, companies will have to pay 20 per cent of this.

The cost is expected to be FFr 3bn rather than the FFr 5bn of the earlier version which, together with industry's own drive to stabilise the pre-election unemployment situation, is claimed to have led to the recruitment of more than 500,000 young people.

The reduced scope of the scheme indicates the Government's anxiety to control expenditure, especially as other planned measures will also cost revenue. The scheme to attract savings into industrial investment, for instance, will represent a revenue loss of FFr 1bn.

With the Budget deficit likely to exceed FFr 20bn this year, and the Government committed by its election promises not to raise taxes before 1980, it is clearly trying to keep the public sector deficit closer to the FFr 9bn or so originally envisaged.

PARIS, May 17.

## Bonn plans tighter merger law

By Jonathan Carr

BONN, May 17.

WEST GERMANY'S Cabinet today approved measures designed to safeguard the market economy through more stringent and better defined powers of merger control.

In seeking a fourth revision to the cartel law, the Government wants, in particular, to stem the increasing encroachment of big companies in sectors where small or medium enterprises are active.

Under the revision, a planned merger would have to be reported to the federal Cartel Office when one of the concerns involved has annual turnover of DM 2bn or more. The Cartel Office would also be able to examine a merger even when the smaller company to be taken over had an annual turnover of less than DM 50m, the limit below which the office has so far been unable to step in.

Other steps would include increased supervision of recommended retail prices, further action against abuse of the power of demand and tougher fines for offences.

The Government described the measures not just as an important step in preserving competition. The Opposition criticised the complexity of the revision.

## Turkey casts a shadow over NATO summit

BY REGINALD DALE

BRUSSELS, May 17.

TURKISH bitterness at the continuing U.S. embargo on arms sales to Ankara is casting an increasingly dark shadow over NATO's Washington summit.

At a meeting of the 11-nation Eurogroup here today, however, Turkey did not question the overall objective of strengthening the Alliance. The programme will be at the centre of discussions here during the full meeting of Defence Ministers over the next two days, in preparation for Washington.

At today's meeting, Mr. Fred Mulley, the British Defence Minister, urged his colleagues to

show flexibility in their national defence planning so as to allow the long-term programme to be achieved. He pointed out that projects agreed at alliance level might have to take precedence over cherished national projects, in the UK as in other countries.

It is now becoming clear that even if member countries meet the NATO target of a 3 per cent increase in defence spending in real terms in the five years to 1984 they will not necessarily be able to implement both the long-term programme and full national programmes. Indeed, under the long-term programme, he argues.

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Mr. Ecevit: a bitter ally.

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## Andreotti's message likely to be 'business as usual'

BY DOMINICK J. COYLE

ROME, May 17.

FOLLOWING the overwhelming vote of confidence in Parliament —by 522 votes to 27— in support of the minority Christian Democrat (DC) Government's new anti-terrorist measures, which were introduced in response to the kidnapping and assassination of Sig. Aldo Moro, the former Prime Minister, Parliament will tomorrow open a full-scale debate on all aspects of the Moro affair.

The Cabinet met here this evening under Prime Minister Giulio Andreotti, who will be the Administration's principal speaker in the debate. He is expected to stress that government business will continue normally, uninterrupted by the events of recent weeks.

Sig. Andreotti is likely to emphasise that the anti-terrorist legislation now available to the State is adequate to deal with the threat posed by the ultra-Left Red Brigades terrorists and other extremist groups, without having recourse to exceptional security provisions. He will also insist that the Government will not be diverted from dealing with pressing economic and social issues facing the country.

Meanwhile, the Prime Minister is expected to take soundings from the main parties supporting his Administration, including the Communists, on the choice of a successor at the Interior Ministry, following the resignation of Sig. Francesco Cossiga. The latter has been criticised for the failure of the security forces to make any real progress in identifying the Red Brigades faction responsible for the murder of Sig. Moro.

This consultative process could, however, be complicated somewhat by the outcome of widespread local elections over last week-end in which the ruling Christian Democrats advanced noticeably, while the Communists suffered a sharp setback from their support at the last General Election two years ago.

This outcome has at least superficially reinforced the "engineering" a government crisis early next year. It is their hope that a snap general election then would give the Christian Democrats an effective Parliamentary majority with the backing of the now-reinforced Socialists, so that the ruling party could throw off the unwelcome Parliamentary support of the Communists.

For the moment, however, Sig. Andreotti is anxious to retain as wide a parliamentary base as possible for his minority Government. This is in part because of the desirability of presenting a united democratic front to the challenge from the terrorists, but also in order to commit the main political parties to endorse his Administration's proposed economic measures. These include anti-inflationary policies aimed at holding down price increases in the current year to a maximum of 13 per cent.

Meanwhile, there was a further terrorist attack today when a

member of the security forces, Sig. Roberto de Martino (36) was gunned down in Turin. The attack is assumed to be the work of the Red Brigades or allied terrorist factions out to maintain their promised policy of "continuous attack against the State" as a follow-up to the Moro kidnapping and murder.

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## Prosecutor demands seven-year sentence on Orlov

BY DAVID SATTER

MOSCOW, May 17.

A STATE prosecutor today demanded the maximum seven-year labour camp sentence for the dissident leader, Dr. Yuri Orlov, on trial for anti-Soviet agitation and propaganda, Mrs. Irina Orlova said tonight.

With the atmosphere inside and outside the court deteriorating steadily, Dr. Orlov denounced "ideological intolerance" in a final speech in his own defence on the last full day of his closed trial.

Despite interruptions from the presiding judge and prosecutor and cries from the hall of "traitor," "spy," and "proponent of war," Dr. Orlov spoke for 30 minutes and warned that ideological intolerance is deeply destructive when practised on a wide scale.

As if to illustrate his point, Mrs. Orlova after leaving the courtroom, was seized by guards and forcibly stripped with three male policemen looking on.

Correspondents, who took Mrs. Orlova and Dr. Orlov's two sons by a first marriage, to a diplomatic block after the court session in an attempt to avert a repetition of the near fighting and anti-semitic insults that occurred yesterday, were pursued recklessly by three cars full of KGB men.

Mr. Sergei Yemelyanov, his Soviet prosecutor, said in his final argument that Dr. Orlov was guilty of making intentional slanderous and anti-Soviet statements in an attempt to weaken the state.

Dr. Orlov, in his statement, said that although he expected to be convicted, the prosecution had not proved that he had slandered the Soviet state and that, on the contrary a thorough acquaintance with the 50 tomes of evidence prepared for the case would show that the information gathered by the dissident group, of which he was chairman and which sought to monitor Soviet observance of the Helsinki accords, was constantly accurate.

He said the prosecutor's speech was an example of ideological intolerance, adding that the Stalin era had shown the cost to science and culture of such enforced attitudes. He pointed out that only one-thirtieth of the Nobel prizes in science had gone to Soviet

scientists and said that this statement was not slanderous but an ascertainable fact.

Much of Dr. Orlov's personal defence was delivered with difficulty because of rulings by Judge V. G. Lubintsov that his remarks had no relation to the case or were in reference to areas outside the competence of the court.

Earlier, Judge Lubintsov rejected without explanation a new request by Dr. Orlov to be allowed to call defence witnesses. None have been called.

Two correspondents for the Soviet news agency Tass were present at the trial but Western journalists continued to be barred and gained details of what transpired from Mrs. Orlova and Dr. Orlov's sons. A final verdict and sentence are expected tomorrow. A representative of the U.S. embassy continued to be the only diplomat from a Helsinki signatory country to try to attend the trial.

Orlova and Dr. Orlov's sons. A final verdict and sentence are expected tomorrow. A representative of the U.S. embassy continued to be the only diplomat from a Helsinki signatory country to try to attend the trial.

Reuter adds: Mr. Alexander Podrabinek, a young dissident detained at the weekend, has been formally charged with anti-Soviet slander over a book he wrote alleging psychiatry was used in the Soviet Union for punitive purposes, friends said today.

He was taken from his home on Sunday night on the eve of the trial of Dr. Orlov after a five-hour search by KGB security police who took away books and manuscripts.

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## EUROPEAN NEWS

### Portuguese industry fears 'irrevocable stagnation'

BY JIMMY BURNS

LISBON, May 17.

THE Portuguese Government's one of its prime aims that of stimulating export production and thus righting the imbalance of trade.

The report, the first public comment by CIP on the Government's economic programme since the conclusion of negotiations with the International Monetary Fund on May 9, makes clear that the private industrial sector has very little enthusiasm for the recent package of austerity measures. This has as

—it is now threatened by a dramatic rise in demand on the home market as a result of the Government's tough monetary and fiscal measures aimed at cutting down on consumption.

The report follows an announcement earlier this week that CIP will hold a "day of struggle" against the Government in Oporto, northern Portugal, at the end of this month.

Government's economic policies.

### Suarez faces by-election test

BY ROBERT GRAHAM

MADRID, May 17.

POLLING TOOK place today in two by-elections for seats in the Senate, the upper House of Spain's Parliament. These are the first Parliamentary polls since the general election last June and are expected to provide a barometer of the Suarez Government's popularity, as well as showing the relative strengths of the two major opposition parties, the Socialists and the Communists.

The ruling Union de Centro Democratico (UCD) and the two main opposition parties have thrown their leading figures into the campaign for the two seats. The seas in Alicante and Oviedo provide a reasonable cross-section of the electorate, outside the main urban areas of Barcelona and Madrid.

Oviedo is the northern mining region of Asturias and Alicante is in the south where there is a high degree of unemployment. The almost 1.5m persons are eligible to vote. But, in the general election, the turnout for the two places averaged above 75 per cent and observers predict that today's turnout will be lower.

The Prime Minister, Sr. Adolfo Suarez, has campaigned in person on the platform of a vote against the UCD is a vote that paves the way for Marxism in Spain. The UCD has been split in recent weeks by serious divisions over strategy and ideology.

Spain's army chief of staff, Lieut-Gen. Jose Vega Rodriguez (64), has tendered his resignation, the Defence Ministry told Reuters in Madrid. A spokesman said the resignation, which had not yet been officially accepted, was for personal reasons. A veteran of Franco's victorious Nationalist army in the Civil War, in recent years he has acquired a reputation as a moderate among the generals.

Two weeks ago, the executive committee submitted its resignation and Sr. Suarez is in the process of re-modelling this, the party's chief operational arm.

Recent opinion polls have shown a marked decline in Sr. Suarez's popularity and commentators are regarding the elections, relatively unimportant in

themselves, as a test of his standing in the country. They do not however threaten the UCD majority in the 248-seat Senate. In the June elections, Oviedo returned three senators of whom two were elected on a coalition ticket grouping the democratic Left plus the Socialists and the Communists while a single senator was elected for UCD.

The by-election, caused by the resignation of a Communist elected senator, Sr. Wenceslao Roca, has thrown an interesting light on the deteriorating relations between the Socialists and the Communists. The Socialists' understanding of a common platform for Oviedo so both are holding separate candidates. This has been considerably linked the Communists.

Thus in Oviedo the vote is likely to be a straight fight between the UCD and the Socialists.

In Alicante, two senators were elected in the June elections, one on a coalition of Socialist groups and another for the UCD. Here again, the main fight is expected to be between the UCD and the Socialists.

### Basque tensions at high level

BY OUR OWN CORRESPONDENT

MADRID, May 17.

TEN DAYS of violence in the Basque region has again underlined the immense gulf between the Government's position and that of the hardline separatists. The violence, which has resulted in the deaths of three Civil Guards and two members of the military wing of ETA, the militant separatist group, has been the worst for a year.

Shootings, bombings and violent demonstrations have occurred in all the major towns, producing the vicious cycle of what one newspaper today described as "action, repression, action," with the security forces reacting toughly every time one of their number is either injured or killed.

Tension between their forces and the local population is reported high. Today it was revealed that some 30 children of Civil Guards in the Guernica area had been withdrawn from schools after threats against them.

The military wing of ETA, who appear to have been the main motor behind the series of

attacks on Civil Guards and Civil Guard stations, are a minority. Nevertheless, they retain a degree of sympathy with the local population, evident in the demonstrations that preceded the funerals of two ETA members killed last week.

The main conclusion from this upsurge of violence is that the establishment of a provisional Basque Government earlier this year and the promise of autonomous status in the new Spanish constitution now being discussed by Parliament are insufficient in themselves to take the steam out of Basque separatism and the campaign of terrorism against central authority which this engenders.

This week the President of the Basque Government, Sr. Ramon Rubial, publicly urged the Suarez Government to consider direct negotiations with ETA (ETA is split rather like the IRA in Ireland, with the Provisionals the equivalent of ETA's military wing). Indirect efforts by the central government to negotiate have been roundly rejected.

Last week Sr. Josep Tarradellas, the head of the Catalan Government (Generalitat), made a secret visit to Perpignan in France to meet the head of the Basque Government in exile, Sr. Jesus Maria de Leizaola. This was apparently with government knowledge and probably on government prompting, although King Juan Carlos — cited as the originator of the idea — has denied involvement. The initiative was attacked by the Basques as a Catalan interference in Basque affairs.

The main problem is that the government can only negotiate a ceasefire with ETA but cannot go further and accept the full range of its demands that would amount to Basque sovereignty. This would undermine the Government's entire regional policy — to say nothing of the constitution.

As for ETA, it cannot speak for all the hardline separatists who would only trade a ceasefire for arm concessions. It is an intractable problem which shows no sign of disappearing or being resolved.

### Improved payments prospect for Danes

By Robert Mauthner

PARIS, May 17.

A MARKED improvement in Denmark's balance of payments, coupled with sluggish growth and a moderate reduction in inflation, is predicted by the Organisation for Economic Co-operation and Development, in its latest survey of the Danish economy.

The current account is still expected to be in deficit by Dkr.7.5bn. this year, but this would be an improvement of Dkr.2.4bn. on last year.

The survey points out that the expected improvement will be partially offset by rising debt repayments abroad. The need for keeping domestic borrowing costs considerably above foreign rates will be as great as it was last year.

Because of restrictive policies applied by the Government to cut the payments deficit and control inflation, and because of the slack international economic climate, domestic activity has remained depressed. GDP is estimated to have risen by no more than 1.5 per cent in 1977, and the outlook for this year continues the trend.

The prospects for reducing inflation are brighter. The increase in consumer prices this year could well decelerate to about 7 per cent from 12.25 per cent. But due to a significant price push in December the consumer price index was more than 6 per cent above the 1977 average and the year-on-year increase is unlikely to fall significantly below the 1977 rate of 11 per cent.

Prospects for reducing inflation after 1978 are uncertain, since part of the moderation of wage increases is due to an incomes agreement which expires in 1979.

The OECD is pessimistic about the outlook for employment. Unemployment increased to 7.5 per cent last year and is likely to rise further this year.

## AMERICAN NEWS

NEW YORK, NEW JERSEY PORT AUTHORITY

### With a view to Europe

BY CAROLE KORZENIOWSKY IN NEW YORK

THE NEW YORK-New Jersey Port Authority wants to launch a campaign to attract European manufacturers.

The inducements held out are of industrial estates built to meet the specifications of tenants, and with all the most modern amenities including handsome tax breaks; energy from recycled waste; a large competitively-paid work force; and advantageous access to transportation and markets. The plan has been drawn up and, if approved by the two states' legislatures, as expected, it will be financed and executed by a venerable institution on the New York scene, the Port Authority of New York and New Jersey.

The port authority is a queer animal, it has jurisdiction far beyond the port itself. It is neither a Government agency, since it enjoys independent corporate status, nor a private company since it has access to the tax exempt bond market where it can, like state and municipal agencies, raise capital at lower cost than either federal agencies or private borrowers. All of this makes it a highly privileged creature. It was created by statute in 1921 with a broad mandate "to preserve, protect and promote the commerce of the port district," roughly 25 square miles, encompassing most of Manhattan and much of northern New Jersey. Specifically it was hoped that the authority would be able to unravel the chaos that prevailed among the many rail lines converging on the port of New York.

While rail problems still exist, the port authority has been developing other forms of transport in the region. It has a virtual monopoly of facilities such as bridges, tunnels, bus terminals, airports, and heliports, as well as port facilities, all of which it owns and leases, using the fees to repay debt and launch new projects. It handles more ocean-borne cargo and air-borne cargo than any other U.S. port, with about 60 per cent more sea cargo than in the second ranked port, New Orleans, and four times as much

air cargo as in Los Angeles.

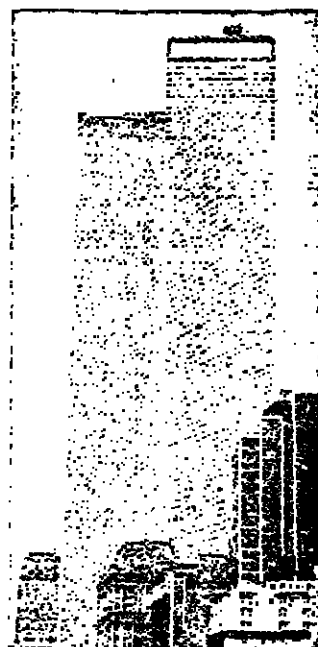
It is fully meeting its operating costs and has contributed more than \$30m. toward the port authority's debt service in 1977.

But there are those who call it the "largest white elephant construction project in history." The critics include private real estate interests which suffered from the sudden shut of office space when the twin towers became available, as well as public interest groups which feel that the \$1bn spent on the World Trade Center should have been put to other uses.

One of the prime points of contention is the Port Authority's past unwillingness to use its resources for the system of trains, buses, and underground tunnels which carry 80 per cent of Manhattan workers to their jobs.

In 1962, when the State legislatures of New York and New Jersey approved the plans for the World Trade Center, it was on condition that the authority should run the bankrupt Hudson and Manhattan Railroad, the only remaining rail link for many Jerseyites who work in Manhattan. The authority accepted that stipulation, but at the same secured legislation which absolved it from any responsibility to involve itself in future rail projects.

The 12 authority commissioners, who are appointed by the governors of the two states, serve long terms. They could make up a Who's Who of the world of high finance, bankers, brokers, and insurance men, active in bond and secondary market activities, they have in the past stayed strictly away from risky investments such as public transport. For a variety of reasons, the old guard has been changing over the past few years, and there has been a show of willingness to reconsider the issue. There is little that can be done for rails however, since the U.S. Supreme Court last year upheld the provision against the Port Authority getting involved in rail projects until beyond the end of this



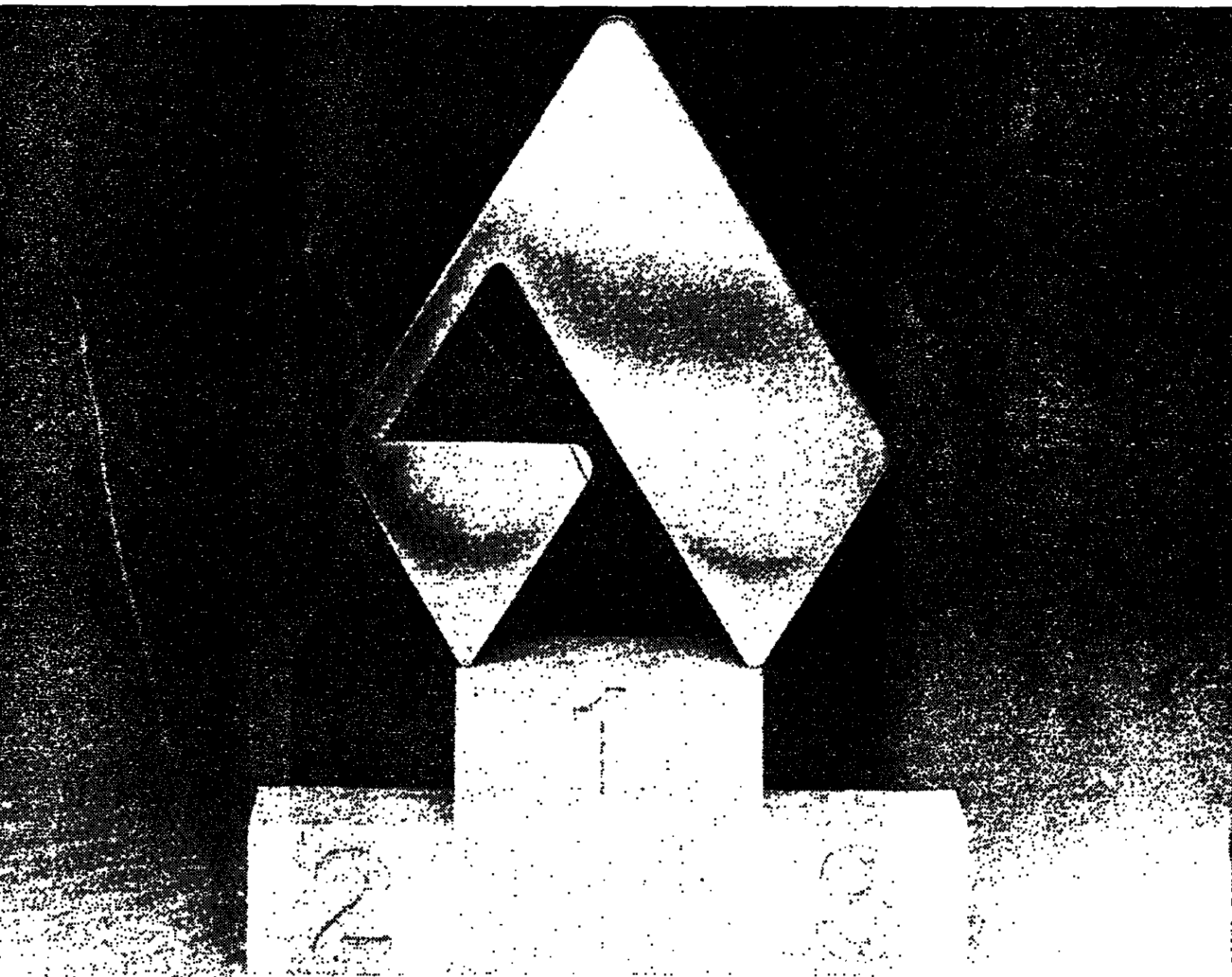
The 110-story World Trade Center: some call it the world's largest white elephant.

century. It has instead shed \$240m. obtained from toll increases at the authority's tunnels and bridges to be used on buses.

The authority has come under considerable public pressure to finance mass transport. Next to giving in to that, nothing seems more assured of enhancing its popularity than the plan for industrial development. Port Authority officials believe that once the industrial estates are in full swing, which they hope will be the case in about 10 years, they will provide some 20,000 manufacturing jobs.

Whatever the merits of the argument about financial policy, it has put the authority into a position where it is the only government agency in the region capable of financing that sort of project. Private real estate interests have not so far expressed any objections. The four municipalities where the initial sites are located appear to be enthusiastic. By this summer the Port Authority hopes to meet with similar enthusiasm from abroad.

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## WORLD TRADE NEWS

# ICI opposes intervention by Brussels in plastics

BY KEVIN DONE, CHEMICALS CORRESPONDENT

THE OVERCAPACITY that has affected West European plastics producers, causing losses last year of several hundred million pounds, does not justify intervention by the European Commission, ICI said yesterday.

The statement comes as petrochemical producers meet today in Brussels to try to settle their differences over means of controlling the damaging surplus of plant capacity. But there seems little prospect of early agreement at today's meeting of CEPIC, the European Council of Chemical Manufacturers' Federations.

Losses in commodity plastics in Western Europe last year amounted to several hundred million pounds, ICI said yesterday. The main deficit, in low-density polyethylene (LDPE), was estimated at £100m.

When prices reached their lowest point at the end of last year, producers of LDPE, one of the oldest commodity plastics, with uses ranging from plastic bags and sheets to moulded products such as plastic buckets, were incurring losses at a rate of £250m a year.

But in the past two months prices have recovered somewhat and ICI estimates that the industry is now close to breaking even in that sector.

UK plastics materials producers, led by ICI, are stiffening

their resistance to suggestions of Government intervention. The West German chemicals industry rejected all moves for intervention by the European Commission in plastics.

Pressures within the European industry have been mounting, however, especially in France, but also in Italy and Holland for central action on overcapacity. Plants have been working at only 60 to 70 per cent of capacity.

French producers have suggested at meetings of the Association of Plastics Manufacturers for Europe that intervention might follow similar lines to the cartel of synthetic fibre producers, being prepared with the co-operation of Viscount Davignon, the European Industries Commissioner.

But West Germany, and now the United Kingdom, oppose any arrangements that would lead to the agreed closure of plant capacity and limits on investment under the cloak of Government and EEC control.

With as much as 60-70 per cent of their business coming from foreign markets, the main chemical companies in the UK and West Germany are now firmly against further encroachments on present liberal free trade policies.

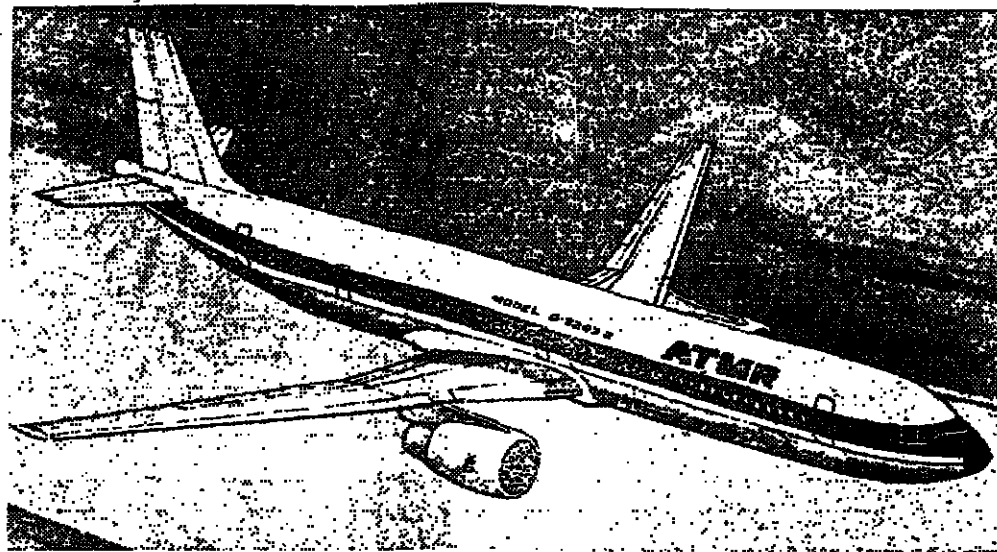
Mr John Harvey-Jones, deputy chairman of ICI, admitted yesterday that the plastics industry had long-term structural difficulties. The answer was for the older, less efficient plants to be shut down and for less efficient producers to get out of the market. Protection would only make the European industry uncompetitive in a world market.

"I am determined that as far as we can we should try to operate in a normal, economically disciplined way. If two more years show that no producer will go to the wall, because no Government will let it, then we must face up to the fact that the market economy does not work. But we must try everything else first."

The crisis in plastics differs greatly from the crisis in fibres, Mr Tony Pike, polyolefines director of ICI's plastics division, said yesterday.

The volume of plastics sales is about seven times bigger than the tonnage in synthetic fibres, and will recover more quickly with modest price increases. There are few imports of finished plastics products into Western Europe and, unlike fibres, plastics can still look forward to several years of significant growth in demand.

Viscount Davignon has also pointed out to the industry that it is to blame for many of its present difficulties, particularly for the successive rounds of price reductions brought about by producers scrambling for greater market share at any cost.



## U.S.-European aircraft plan under study

BY MICHAEL DONE, AEROSPACE CORRESPONDENT

THE POSSIBILITY of U.K. collaboration with both the U.S. and Western Europe on a new civil airliner venture is emerging as one of the options likely to be studied by the Cabinet Committee now considering future aircraft programmes.

Hitherto, the various options have been in the nature of either collaborating with a U.S. company, or with Western Europe.

But following last week's visit to the U.K. by Mr Sanford McDonnell, president of McDonnell Douglas, it is becoming clearer that a tripartite venture between British Aerospace, Western Europe and McDonnell Douglas on the Ad-

vanced Technology Medium Range transport (ATMR) is finding increasing favour, although any decisions are still some way ahead.

The ATMR is a design for a 175-200 seat twin-engine airliner, capable of over 3,000 miles range. It has been given little publicity, because of McDonnell Douglas's own concentration on marketing the smaller Series 80 version of the short-haul DC-9 jet in recent months.

But it is still alive as a McDonnell Douglas programme for the future, and one which many people in British Aerospace are finding attractive.

The British Aerospace view is that the current Boeing offer

## Dutch near decision on joining Airbus

BY OUR OWN CORRESPONDENT AMSTERDAM, May 17.

THE DUTCH GOVERNMENT is expected to decide "within the next few weeks" whether to join the next generation of European civil aircraft projects through the Airbus Industrie group. It is also about to make another important decision: whether to replace its 13 ageing Neptune maritime reconnaissance aircraft with the American Orion, the French Breguet Atlantic or the British Nimrod.

Mr Daan Krook, Airbus Industrie's marketing director, seconded to that group by the Dutch concern, Fokker, told journalists in Toulouse that it is important that Holland and Britain should join the Airbus group. He said: "We must aim to secure 30-35 per cent of the European civil aircraft market and, for that matter, of the military aircraft market. If we fail to achieve that, we'd better be throwing away money."

Commenting on the Airbus's prospects in the U.S. after the recent big Eastern Airlines success he said he did not expect the current negotiations with United Airlines to succeed.

He added that should United not opt for the Airbus, it should publicly indicate that that was not because the aircraft is inferior to U.S. products, but because there are "other than commercial reasons" for the decision.

"If they don't give a qualified

## French exports 'limited by shortage of finance'

BY DAVID WHITE PARIS, May 17.

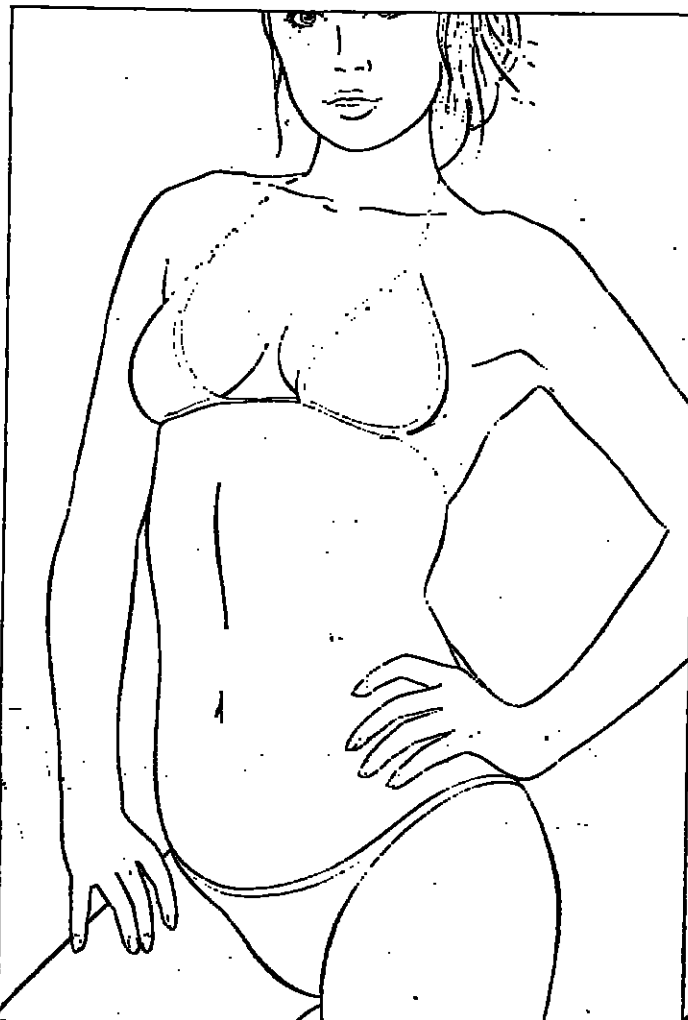
THE insufficiency of French companies' financing capacity is singled out as the main obstacle to export growth in a report presented to the Economic and Social Council, the Government's advisory body representing employers, unions and other economic groups.

The report prepared by M. Pierre Bataille, chairman of the big construction equipment company Poclain, comes as the Government is preparing effects on import costs and legal instruments aimed at channelling more private funds into companies' capital.

Emphasising the need for fixed investment abroad in order to secure markets, M. Bataille said that companies' financial muscle was becoming weaker and that the proportion of their long- and medium-term debts to their own resources was worsening.

This weakness stemmed mainly from heavy charges imposed by the Government and the fact that not enough savings were going into industry.

Charges imposed on French



LINE DRAWING



SILHOUETTE



PHOTOGRAPH

## BSC £3m China orders

BY JOHN LLOYD

THE BRITISH Steel Corporation has won orders worth more than £3m from China, with the prospects of further sales in the summer.

Yesterday's announcement brought the value of BSC sales to China to more than £13m since the corporation's chairman, Sir Charles Villiers, visited Peking last October.

The announcement was made at the same time as a high-level Chinese delegation, led by Mr. Tong Ke, Minister for the Metallurgical Industry, is on a 17-day visit to BSC and private sector steelworks as well as steel plant manufacturers.

John Hoffman, adds from Peking: There is small cause for complacency in the British steel industry over the Chinese visit. As British Ministers were talking cordially with the leaders of the Chinese mission, similar friendly sentiments were being exchanged in Peking between Chinese officials and members of a steelmaking group from Kobe, Japan.

China needs steel—perhaps British steel—but is looking at all possible sources of supply. If Britain hopes to seize the export opportunities offered by

China's new period of industrial development, it will meet determined competition.

China, putting its industrialisation plans into effect, is ready to buy huge quantities of iron and finished steel for machinery manufacture, agricultural mechanisation, shipping and railway expansion.

Britain makes quality steel that China's industry cannot yet produce in sufficient quantity. Other countries make it, too. Three weeks ago the Australian Minister for Industry and Commerce, Mr. Philip Lynch, visited Peking for exploratory talks and left with a guarantee that China would listen kindly to approaches from Australian steel-manufacturers.

An Australian mission, representing most of the country's iron and steel producers, will take up the invitation next month.

Iron and steel contracts are the big prize for which exporting nations will compete as China's modernisation programme gains momentum. China has made clear that it will favour suppliers who can provide high-quality products at high speed.

## Japanese visit Vietnam

TOKYO, May 17.

JAPAN'S Federation of Economic Organisations (Keidanren) will send its first economic mission to Vietnam on May 22 at the invitation of Vietnamese Overseas Trade Minister, Dang Viet Chan. Reuter reports from Tokyo.

A spokesman for the Keidanren said the seven-member mission hopes to pave the way for Japanese co-operation in Vietnam's economic reconstruction programme. The mission will confer with Vietnamese officials on the possibility of Japanese participation in off-shore oil exploration projects in Vietnam, as well as Vietnamese plans for

construction of hydroelectric plants, improvement of telephone networks in urban areas and exports of anthracite coal to Japan.

A.P.D.J. adds: A group of six major Japanese steel makers has signed a contract to supply 100,000 metric tons of steel materials to Vietnam. Nippon Steel officials said the steel materials will be shipped to Hanoi between July and November, but declined to disclose details of the transaction price. Also involved are Nippon Kokan, Kawasaki Steel, Sumitomo Metal Industries, Kobe Steel, and Nishin Steel.

## UK £35m Cairo project

Higgs and Hill has won a £35m contract from Mistr Abu Dhabi Property for the Plaza development project in Cairo, which calls for two 38-storey blocks to include offices, flats, shops and exhibition and conference centre, a Financial Times reporter writes. The blocks will be linked by a podium containing a separate block of offices.

Higgs and Hill has begun preliminary site works. The project is expected to be completed in 1981.

**Cloth import protest**  
Government action may follow a protest by the wool textile industry about growing imports of cheap Argentine cloth. West

## New Saab cars

Saab-Scania has announced a new model, the 900 series, to enter production next autumn. John Walker writes from Stockholm. The company is investing about Kr.135m (\$29m) in new production facilities. Five versions will be made.

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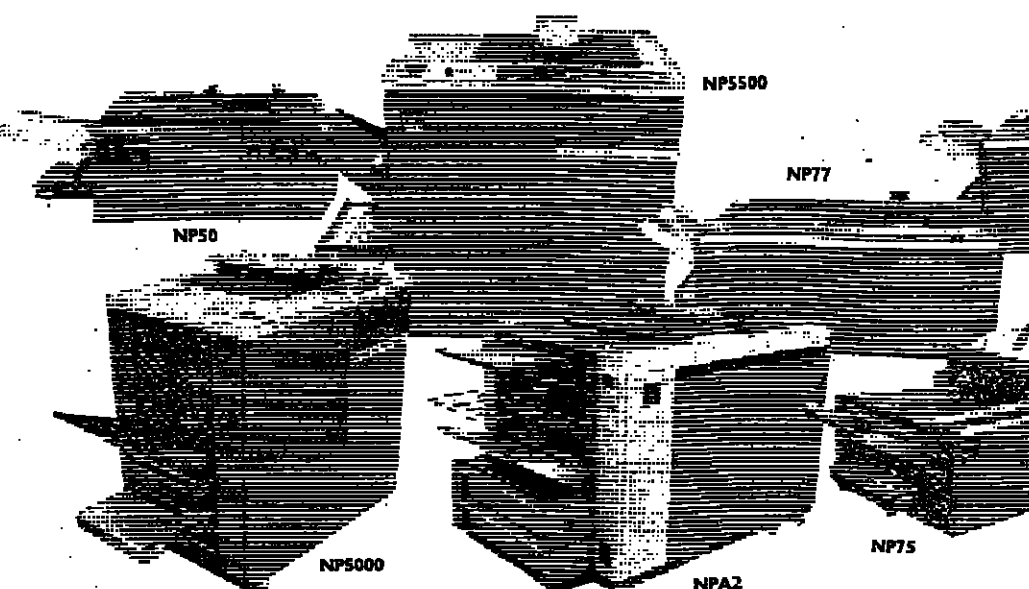
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## HOME NEWS

## Societies and banks 'should be closer'

BUILDING SOCIETIES and the clearing banks should have closer working relationships, Mr. Ralph Stow, chairman of the Building Societies Association, said yesterday.

Mr. Stow told the Association's annual conference in Bournemouth that he was concerned at the prospect of deteriorating relationships between the banks and the societies.

He had been "disturbed" by the banks' recent criticism of building society operations and allegations that the movement was competing unfairly for deposits.

The clearing banks have submitted evidence to the Bank of England and the Wilson Committee on financial institutions in which they express concern at the societies' increasing success in attracting funds and at alleged advantageous tax arrangements.

Mr. Stow was surprised that the banks had not discussed their criticisms with the societies before submitting such evidence, some of which he claimed was "ill-founded and not of substantial significance in the context of their concern about competition for personal savings and deposits."

The Building Societies Association has now provided the Bank of England with a detailed response to the criticisms.

## Discussions

Mr. Stow had suggested informal discussions between the two sides to avoid a breakdown in relationships. This had been welcomed by the chief cashier of the Bank of England, who had said that he would be willing to head any such meeting.

"It is important that any misunderstanding should be cleared up by quiet discussion out of the limelight and that, if necessary, regular meetings between us could be advantageous."

Mr. Stow suggested that an arrangement on the lines of the Joint Advisory Committee, which provides a link between the societies and the Government, could be considered.

"The banks do fear a problem in the future if and when industry increases its demand for capital. It is only right that we should hear of their concern and consider its implications for us and the economy."

## Wiggins Teape to spend £29m. on paper mills

Financial Times Reporter

WIGGINS TEAPE is to spend £29m on expansion of its carbonless copying paper production in the UK.

The three-year investment will expand production at its paper mills in South Wales and Dartford, Kent, to increase capacity for carbonless paper from 40,000 to 70,000 tonnes a year.

The announcement follows the recent decision of Wiggins Teape's parent company BAT Industries to enter the U.S. carbonless copy paper business with the acquisition of NCR's Appleton Papers division for £153m.

Most of the £29m will be spent on new coating machinery and other equipment at Wiggins Teape's Ely paper mill, near Cardiff.

## Wage costs pressure 'may boost inflation'

BY MICHAEL BLANDEN

THE UPWARD pressure of wage costs in the U.K. is higher than in other countries and is threatening to reverse the recent downward trend in the inflation rate, according to the leading article in the latest issue of the Treasury's Economic Progress Report.

The figures show that the rate of increase in U.K. wage costs per unit of output is higher at present than in any other major industrial country except Italy.

The article says: "The most recent evidence suggests that the underlying pressure of domestic costs has become stronger and remains greater in the U.K. than in the most important competitor countries, holding the danger of a reversal of the recent downward trend in inflation, with its likely adverse effects on activity, employment and living standards."

The article compares the growth rates of earnings, pro-

ductivity, unit wage costs and consumer prices for the UK and other big industrial countries over two periods, 1965-73 and 1973-77.

It finds that, though prices are affected by other factors such as profits, import costs and indirect taxes, there is a relatively close parallel between rates of unit wage cost growth and of consumer price inflation.

## Exchange rates

If earnings and, therefore, the cost of labour rose faster than productivity, unit labour costs would rise and push up prices. Even in the later period, when there were large movements in exchange rates and substantial divergences of productivity from its underlying trend, the countries with the most rapid growth of unit wage costs—Italy and the UK—experienced the highest inflation rates.

Those with slow rates of increase in unit wage costs, such as West Germany and the U.S., had relatively low inflation rates. The figures implied that in the long run rises in money earnings which were not matched by increases in productivity led to inflation. They were translated into real gains in living standards only to the extent that they were backed by real improvements in productivity.

The UK's performance had improved, but still had some way to go to catch up with other industrial countries. In 1976-77 the UK was more successful in reducing the rate of increase in earnings leading to a marked deceleration in the inflation rate.

The present rate, however, remained above the levels in some big competitors, including the U.S., West Germany and Japan, and recently the UK had done less well in holding down the growth of earnings and unit wage costs.

## Government plans to double redundancy tax threshold

BY DAVID FREUD

THE GOVERNMENT has added a new clause to the Finance Bill to raise the threshold before tax is payable on redundancy payments from £5,000 to £10,000.

The increase is intended to enable workers to accept new jobs without being discouraged from doing so by having to pay large amounts of tax on their redundancy pay.

The new clause, which will operate from the current financial year, will be moved in the committee stage of the Finance Bill which starts today.

It introduces a series of large-scale redundancy announcements from groups such

as British Steel, British Leyland and Swan Huttner. In some cases redundancy pay-off claims by individuals have reached £20,000.

The £5,000 threshold has been in existence since 1980 and the effect was to make redundancy payments of up to about £10,000 tax-free—provided that the recipient has no other income.

With the threshold doubled, the total payment that could remain free of tax in this way is increased to about £16,000.

The Inland Revenue estimates that if the threshold had been raised a year ago the loss of Exchequer revenue in 1977-78 would have been about £15m. There are no estimates of its effect on this financial year.

The tax provisions that apply to redundancy payments after the threshold has been reached remain unchanged. There is a complex "top-slicing" arrangement to spread the tax burden over several years.

In effect, the level of tax is kept within the lower band rates by assessing a sixth of the payment in the tax band in which it would naturally fall as income and taxing the rest of the payment at the same rate.

The new clause also contains a provision to make lump sum payments paid to employees in addition to their full pension rights subject to tax.

## British Gas to renegotiate North Sea supply contracts

BY KEVIN DONE, INDUSTRIAL STAFF

BRITISH GAS is seeking to renegotiate its contracts for gas supplies from many of the southern North Sea fields to enable it to shut down production during the summer months when demand is weak.

Negotiations have been completed with Shell and Amoco, joint operators of the Leman and Indefatigable gas fields.

Talks are continuing with other operators. British Petroleum on the West Sole Field, Phillips Petroleum on the Hewitt Field, Conoco on the Viking Field and Amoco on the Rough Field.

With the very large reserves of the Frigg Field in the northern North Sea already on stream and gas from the Brent

Field expected in a couple of years, British Gas could be in a position of considerable oversupply in the early 1980s.

To help to bring supply and demand back into balance British Gas had opened a series of negotiations with southern field suppliers. Mr. James Allcock, the corporation's assistant director of petroleum purchasing, told the Institution of Gas Engineers in Blackpool yesterday.

British Gas is aiming to make the contracts more flexible, so that it can substantially delay deliveries from the southern fields.

The corporation wants the ability to:

- Shut down a field for part or all of a summer season.
- Take less than the minimum annual contract quantity in a year.
- Take gas free of charge after the minimum contract quantity has been supplied in any one year.
- Extend the contracts beyond their original 25 years as long as there is free gas still to take.

In return for these changes, British Gas has agreed to increase the price it is paying for southern field gas. But the operators must also agree to make some further investments in the fields to prolong supplies.

Already Shell and Amoco are spending £100m. on new facilities for the Leman and Indefatigable fields including new offshore compressor units.

## Argyll Field back on stream

BY RAY DAFTER, ENERGY CORRESPONDENT

THE ARGYLL FIELD in the North Sea was brought back on stream yesterday after being shut for more than three months for repairs to its production equipment.

It is estimated that the closure resulted in a delay in oil revenue to the Hamilton Brothers group of about £14m.

The field, the first oil reservoir to be commercially exploited in the UK sector of the North Sea, was shut on February 4 after a fatigue crack had been discovered in the platform's under-water support members.

The production unit was towed to Scotland for repairs and was due to be recommissioned about six weeks ago. However, production was further delayed because of a bearing failure in the single-buoy mooring system. The turntable carrying the tanker loading production platform's under-water support members.

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## Vantona cotton mill to close

By Rhys David, Textiles Correspondent

VANTONA, THE household textiles group, is to close its Cromer Ring Mill at Middleton, Greater Manchester, where 600 workers make cotton and cotton blend yarns.

The closure follows continued weak demand in the domestic market, under pressure from imports. Serious problems in the tyre industry are also indirectly responsible.

Cromer, one of the biggest mills in the North-west was affected by the decision of Goodyear, the U.S. tyre company, to switch sourcing of its tyre cord from independent UK suppliers to its own plant on the continent.

About 200 workers at Cromer were made redundant earlier this year and, according to Vantona, the loss of this business has now made it uneconomical to continue other operations at the mill.

Efforts to find replacement orders have failed with other spinning groups also suffering from the prolonged recession in the industry.

Spinning production for Vantona's vertical household textiles operation at Cromer will be transferred to the group's R. Greig subsidiary at Stockport, where an investment programme is planned.

Some of the Cromer workers will be offered employment at Stockport.

## Supplies

The Goodyear decision, made because of over-capacity in the company's tyre cord factories abroad, has also resulted in the closure of another mill—not owned by Vantona—at Preston.

The company was persuaded to drop a plan to switch all its orders out of the UK and is continuing for the time being to take some tyre cord supplies from Lancashire.

In the tyre industry, an anti-dumping application is being drawn up by the British Rubber Manufacturers' Association in conjunction with the Department of Industry against East German tyres.

The East Germans have built up sales rapidly over the last few years in the UK market to a total last year of 502,000. At present rates, this level this year would exceed 600,000, or roughly 5 per cent of the total car tyre replacement market of 15m. tyres a year.

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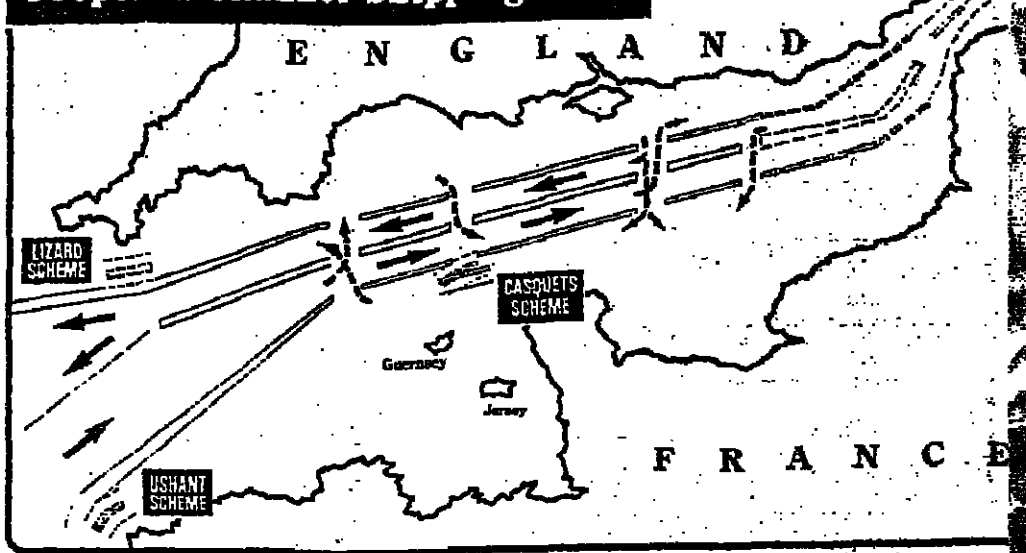
Take gas free of charge after the minimum contract quantity has been supplied in any one year.

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## Channel lane changes pose 'collision risk'

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

## Proposed Channel Shipping Lanes



A "dangerous collision risk" would be created by recently agreed modifications to shipping lanes in the English Channel, with oil tankers having to cross the Channel's main southern flow of traffic at Casquets rocks, said yesterday.

The organisation told a Commons committee investigating oil tanker safety that it favoured a complete overhaul of the Channel lanes, involving a continuous 200-mile separation of traffic running from Cape Finisterre to the North Sea.

The route would include four gateways for shipping to join, leave, or cross the system, and would keep larger vessels with hazardous cargoes further from the coasts of Britain and France than the existing arrangements.

The modifications to which Trinity House objects were proposed by France and are due to come into force in January. They involve a special "dangerous cargo lane 30 miles straight" channels at least miles wide for the main flow of traffic in each direction. Y gateways were provided, marked by buoys equipped with navigational fixing points.

All tankers and through traffic would be required to use the scheme, but other vessels would be encouraged to take coastal routes.

Details of the scheme have been presented to Government departments and were considered at a recent meeting of British and French officials. Their view was that the scheme would involve strong resistance, especially from fishermen, and had many technical defects.

Representatives of Trinity House told the committee yesterday that fishermen could be advised to keep clear of the gateways in the scheme, otherwise would not be affected.

## Salvage companies bid for Eleni V

BY PAUL TAYLOR, INDUSTRIAL STAFF

TWO SALVAGE companies were bidding last night for a Department of Trade contract to dispose of the Eleni V wreck and its remaining oil cargo.

Smith-Lloyd, a Dutch company, and United Towing (Marine Services), of Hull, were both expected to put plans, including costings, before Department of Trade maritime officials at a meeting in London last night.

A final decision on the fate of the tanker is expected to be announced today.

The salvage companies were asked to put forward suggestions for disposal based on two alternatives, either towing the wreck into the Atlantic and sinking it, or pumping the oil off the vessel at sea.

It is understood, however, that while the Government feels it could pursue the first option in spite of international conventions banning dumping, this has been ruled out for moral reasons.

In these circumstances it is likely that whichever salvage company puts forward the most feasible and cheapest tender for pumping the oil off the Eleni V at sea will be awarded the contract.

Last night the department said it had once again revised its estimates of the amount of oil still on board the wrecked tanker.

The latest surveys suggest there could be two tanks still intact and a third leaking oil, totalling between 2,000 and 2,800 tons of oil.

On the second day of the official inquiry into the Amoco Cadiz disaster, the inquiry continues today.

Mr. Blanco, a naval engineer, who was one of the Manches team who designed and checked the specifications of the steering system used on the vessel, said it "fully complied" with American Board of Shipping and Safety of Life at Sea convention requirements.

The tanker, in accordance with international regulations, was fitted with twin pumps and twin hydraulic ramming units, but was dependent upon a sole hydraulic feed.

Mr. Blanco said this design element was from having to have an auxiliary steering system. Asked about the effect of a leak in the system, Mr. Blanco admitted this would cause "slippiness" and if the hydraulic fluid was not replaced this would lead to a failure of the system.

The inquiry continues today.

Mr. Fraser regretted that the change did not go far enough. The changes, which follow two Monopolies Commission reports, will allow law societies in England and Wales to publish information in local newspapers about firms of solicitors.

New entrants and solicitors opening branch offices will be allowed to advertise the presence, and the Law Society plans to look into ways of giving more information about solicitors available for legal cases.

The Law Society of Scotland has issued a comprehensive National Directory of Solicitors, giving detailed information about practically the whole profession in Scotland.

Shoe research

THE SHOE and Allied Trade Research Association, based at Kettering, Northants, boosted earnings during last year by per cent to £325,000.

The biggest earner was the association's footwear test equipment which brought £140,000.

Some group companies did particularly well in 1977. Among them were our French company CIM, our hydraulics company Telehoist, our merchandising companies throughout the world, and our associates in Spain and Italy.

Others fared less well. Our British motor component companies suffered from the disputes in other parts of the industry, our Australian company from low demand and a power workers' strike, and Truflo from low demand for valves.

A combination of these factors and the effect of a stronger pound on foreign earnings resulted in group profits 9% below the record level of 1976.

We are reacting quickly and positively to the lower level of demand in some of our operating companies. After the resultant costs of reorganisation and redundancy have been absorbed in the first half of 1978, margins should begin to rise.

Copies of the Report and Accounts can be obtained from the Secretary Wilmot Breeden (Holdings) Limited PO Box 173, Amington Road, Birmingham B25 8EW

This announcement appears as a matter of record only

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April, 1978

## Joel three-day auction takes over £900,000

CHRISTIE'S completed yesterday its three-day sale of contents of Childwickbury, near St. Albans, the home of H. J. Joel, the bloodstock breeder. The auction totalled £919,219, almost double the pre-sale estimate. The best price yesterday was £7,000, plus 10 per cent buyer's premium, for a large Victorian silver table service.

Koopman, the London dealer, bought a set of four Victorian silver-gilt candelabra for £8,200. A 17th view of the house of Sir Francis Dashwood, after William Hannan, was bought by his ancestor of the same name for £1,000.

Christie's sale of musical instruments realised £45,413. Biddulph, the London dealer, paying the day's highest price of £4,500 for a violoncello by Carlo Antonio Testore of Milan. It was dated 1707.

Kobayashi, a Japanese dealer, paid £3,800 for a violin by Jean Gosselin, 1828. Gosselin (1790-1840) was one of the finest copyists of Stradivari. A violoncello by Francois Gaviniés, Paris, 1781, sold anonymously for £3,800 and a violin from the Ceruti School (Cremona, circa 1820) fetched £3,800.

Sotheby's sold ballet and theatrical material for £48,843. The Victoria and Albert Museum was an active buyer, acquiring four items for £1,540.

The highest price was the £4,400 from Ward-Jackson, a London dealer, for a costume design for the Queen's Fiancée in Dieu Bleu by Leon Bakst. Another design by Bakst, for a girl in a mauve cloak in Les

## SALEROOM

BY ANTHONY THORNCROFT

Papillons, made £3,600, and the design for Ida Rubinstein's costume in Act Four of Helene de Sparta £2,400.

The Sotheby's wine sale brought in £80,240, with top prices of £480 for a dozen bottles of Château Mouton Rothschild 1981; £440 for Château Latour 1981; and £385 for a dozen Chateau Margaux 1981.

The house sale at Abbeylands, Stockhouse, Settle, Yorks, organised by Henry Spencer of Retford, totalled £39,451. "Divining the Future," by William Holyoake, sold for £3,600, an auction record for the artist.

Wilmot Breeden

Group sales £90.150 million  
Pre-tax profit £5.676 million  
Earnings per share 13.8p  
Dividend 3.08157p (maximum permitted)

## Sales by industry

Car components £ million 68.069  
Petro-chemical, aerospace, cryogenics 9.383  
Hydraulics 7.306  
Electronics 2.872  
Merchandising 2.520

## Sales by area of operation

UK home £ million 37.306  
UK export 8.710  
Continental Europe 37.457  
Australia 6.677

From the review of the Chairman, Mr D L Breeden:

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It's easy to spot people who have recently come into contact with life assurance.

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It will be published during July by Hutchinsons, and will be available through all leading booksellers at £1.95.

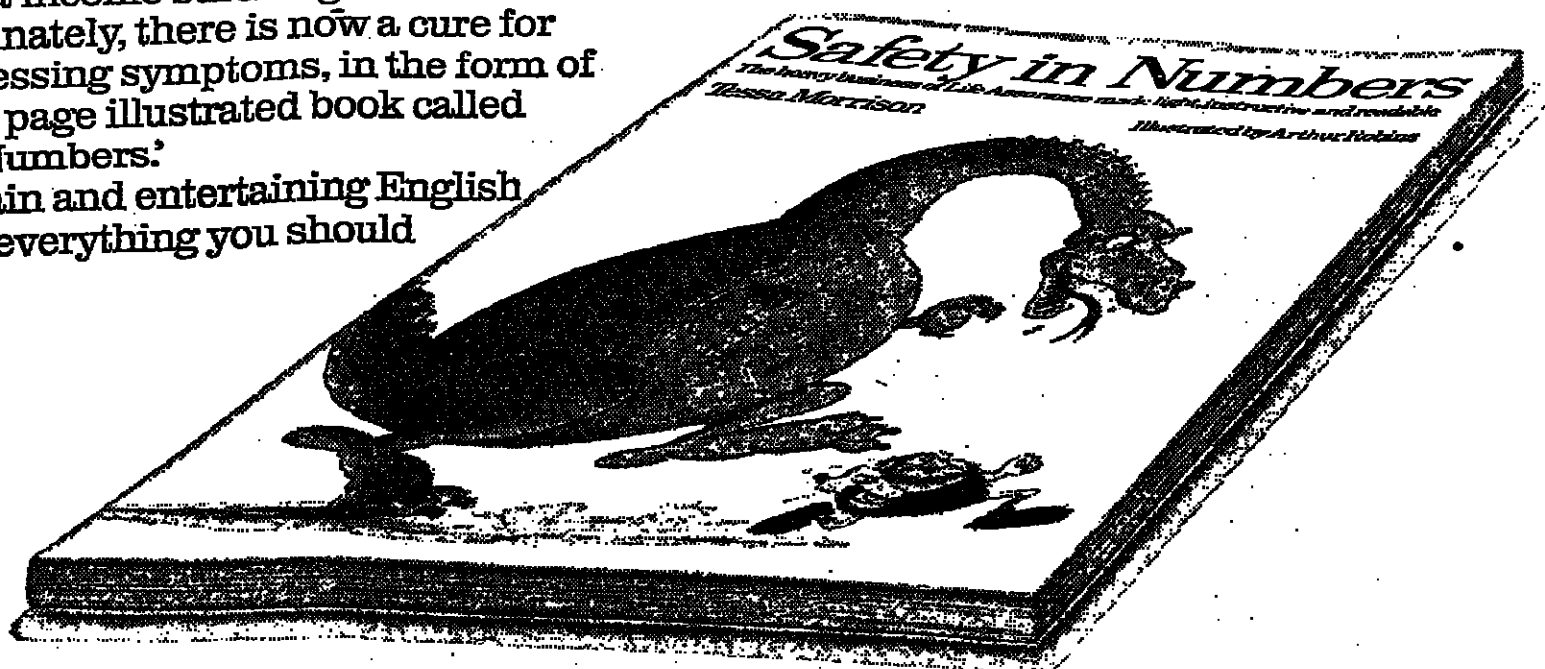
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Albright & Wilson have manufacturing plants in 15 countries. In 1977 alone, overseas production resources were increased in Australia, Canada, France, Malaysia, Singapore, Sweden and the USA.

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# Swallows and cuckoos • Fulford • Salford

BY MICHAEL DIXON

"I'D BE happier if it was a remained sulkily at only about three-fifths of its levels of early 1973 throughout the past two years."

So although Mr. Long certainly wouldn't say "stop," he wouldn't say "go" either. And in the circumstances his optimism is not improved by the demand for U.K. executives and specialists, which has nearly doubled over the past four years to reach 15,426 advertised jobs in 1977. Sadly, January-March showed the overseas orders down 16 per cent from those of 12 months previously.

Unlike other recruitment consultants I have just talked to, however, Garry Long does not see this downturn as denoting a surfeit at last among employers in the Middle East, and to a less extent Black and Arab Africa, which together have lately accounted for two-thirds of the foreign call for Britons.

"I would guess the Middle East will go on wanting a lot of people for the next two years certainly," he said. "The counter-trends which seem to be responsible for the drop are those of the old dominion kind—Canada, Australia and South Africa, and portent missing. The call for research, development and design people—historically an important lead indicator—has but very much poised to retreat

if anything happens that can be looked on as threatening. "As for demand from Western Europe, I would not expect any big import orders for U.K. people, although there will probably always be some jobs for them, especially now that the American multi-nationals are becoming more multi-national in their management recruitment."

## Athens, etc.

THAT LAST point was taken up, with particular reference to Athens, by John Fulford of Grosvenor Stewart who, incidentally, takes the prize as the first head-hunter to respond to this column's new experiment of writing about jobs being handled by consultants, but where the name of the employing concern cannot be disclosed.

Guaranteeing to honour any applicant's request not to be identified to the employer until specific permission has been given, Mr. Fulford arrived hot foot with a job lot of offers.

The first is in Athens where, "now Beirut has gone beyond recall," multi-national concerns are setting up shop busily. "It's going to become the Brussels of the Near East," John Fulford said.

The job is that of marketing

director at the Middle East headquarters of a \$1.3bn. turnover health-care concern, and responsible to the director for the area. The newcomer will take charge of all marketing activities short of on-the-ground selling, and applicants need associated experience in the pharmaceutical or other branches of the health-care business, and sound understanding of the Middle East. Age around 30-40.

Salary indication £20,000, plus expatriate perks of usual sort including housing, car and medical cover. Inquiries to Mr. Fulford at Hamilton House, 15 Tilehouse Street, Hitchen, Herts. Telephone Hitchen (0462) 53303.

Thence, while still with Grosvenor Stewart, to Kuala Lumpur where a £2m-turnover British market research agency is wanting a research director, at a salary equivalent to about £11,000 plus commission expected to be around £4,000 and perks much as those in Athens.

Responsible to the managing director, the newcomer will be a professional market researcher, preferably with advertising agency experience, and as a member of the management committee will be mainly concerned with developing new business as well as serving existing clients mainly

in consumer goods. Age 25 upwards. Inquiries to Terry Jones, also at Hitchen.

Ken Cooper, at the same address, is seeking a divisional manager to work in exotic North London for the £5m turnover hospital equipment subsidiary of a big British group. Responsible to the subsidiary's chief for its commercial operations, the recruit will need a successful record in sales and marketing to hospitals and the like. Age indication 30-45. Salary up to £12,000. Perks include car.

Back to John Fulford who is looking for someone to start from scratch a European-wide business selling ground-support and engineering services to civil air lines. Base to be chosen in south of England, preferably near London. Employer is owner of U.S. company operating from Germany.

Candidates, although young, need to have shown entrepreneurial ability and to know civil aviation. Initial salary up to £12,000. Car among perks.

Surely we can't be finished with Mr. Fulford so soon? No. He also wants one of those rare qualified accountants who understand people, to join Grosvenor Stewart as a consulting recruiting mainly accountants and financial man-

agers for an international range of clients. Based at the Hitchen office, the newcomer will report to John Fulford's fellow-director Stuart Adamson. Age 30 or so. Post-qualifying experience with multi-national concern would be an advantage. Salary around £10,000, plus car, etc.

## University

NOW TO Barry Richardson, general manager of the Industrial Centre at Salford University (Salford M5 4WT, Lancs.—tel. 061-735 5843). He wants a new commercial manager to ensure the profitable marketing through the centre of the technological university's brains and facilities.

This is again a youngish job because the salary can be only around £6,000. But the recruit's two predecessors have moved up swiftly, one to head a college business studies department and the other to international marketing management.

Candidates should have some successful experience in business and—since an understanding of academic quickness is needed—should be graduates.

Whoever comes here will be very much in charge of their own show, and with the emphasis on results," Mr. Richardson promises.

## INTERNATIONAL SYNDICATIONS

The National Commercial Bank, Jeddah, Saudi Arabia, is expanding its international syndication activities and now has two vacancies in this area, to be based in Jeddah.

The bank is growing rapidly, and recently announced net income for 1977 of U.S.\$93 million on a balance sheet total, including contingent liabilities, of nearly U.S.\$8 billion.

Applications are invited from those who meet the following requirements:

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To apply you should be qualified, between 27 and 32 with management experience in a multi-national company, or a leading firm of chartered accountants. Equally, you must be able to demonstrate a high level of ability in both technical and management skills.

Career prospects are excellent and are not confined to the U.K.

Benefits include participation in a very favourable car scheme, BUPA and assistance with relocation expenses where necessary.

Applicants, male or female, should apply in strictest confidence with career details to: M. Warner, Director, Gresham Executive Appointments, 1 Hanover Place, Hanover Square, London W1R 9HA. Tel: 01-629 9841/4

**Gresham**  
Executive Appointments

## FINANCE DIRECTOR

£15,000

This appointment is to the Board of a major Division in a large public company. The Division, with widely spread international interests in publishing, magazines and data services, has a turnover in the region of £75m. It is managed on a decentralised basis with a small central management group located in London.

The Finance Director works closely with the Divisional Chief Executive. The responsibilities of the job include the whole range of financial management, but also provide a lot of scope for influencing important commercial decisions and policies.

This position will be particularly attractive to those who enjoy taking their own initiatives and contributing to the

Company's business development. The division itself is growing and there is plenty of room for personal advancement in the parent group.

We are seeking candidates, men or women, who are internationally-minded, articulate and used to taking decisions. They should be chartered accountants, will probably have an MBA or other degree and are likely to be in their early 30's. They will have held responsibility in a sizeable company for financing as well as control.

Replies, quoting reference 542/FT and giving details of qualifications and experience, will be forwarded in confidence to the management consultants who are advising on this appointment.

**JWT Recruitment Ltd**

40 Berkeley Square London W1X 6AD Tel: 01-629 9496

## BOND DEALER CITY

Our client is one of the leading Japanese Securities Companies which is rapidly expanding its Bond business throughout Europe.

They require a Bond Dealer experienced in Eurobonds and Yen Bonds with wide connections within these markets. Alternatively, they would welcome applications from candidates with some experience as a trading executive in Eurobonds gained either with a broker or jobbing firm or a merchant bank.

A knowledge of French or German would be an advantage.

Salary is negotiable and will be attractive.

Please write or telephone for an application form, quoting ref 927, to:

W. L. Tait,  
Touche Ross & Co.,  
Management Consultants,  
4 London Wall Buildings,  
London EC2M 5UJ.  
Tel: 01-553 6644.

## Credit Analyst

International Merchant Bank

to £5500

This is an excellent career opportunity with one of the City's most firmly established Consortium Banks.

The job is to help prepare recommendations in respect of new and existing Credit arrangements, based upon an interpretation of companies' financial statements and with consideration to the adequacy and to the perfecting of appropriate security.

An ambitious and perceptive young A.L.B. with a good general banking background incorporating Advances should recognise this ideal chance to capitalise both on his/her experience and on the excellent prospects for advancement in international banking.

To discuss this appointment, in confidence of course, please telephone John Chiverton, A.L.B. on 465 7711.

**David White Associates Ltd.**

Hampton House, 84 Kingsway, London, WC2

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WRONG JOB! WRONG COMPANY! WRONG PEOPLE!

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As for the right attitude, once you know yourself, you'll take it. You'll manage your career.

Meet us for a confidential discussion about it.

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Simply dial 01-832 3719, and ask for John Ball. Or write to him at:

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career managing people

Kent House, 87 Regent Street, London W.1.

## AMEX BANK LIMITED

### EUROBOND SETTLEMENTS/ ACCOUNTS CLERK

Amex Bank has a vacancy for an experienced Eurobond Settlements/Accounts Clerk.

A competitive salary and the usual merchant banking fringe benefits will be offered to the successful candidate.

Please apply in writing, giving details of age, and experience, to:

A. J. Reynolds  
**AMEX BANK LIMITED**  
120 Moorgate  
London EC2P 2JY

## FINANCIAL DIRECTOR

c. £15,000 + car

City

A medium-sized firm of Lloyd's insurance brokers wishes to appoint a qualified accountant, aged around 30-40, to their main board. He or she will supervise the Chief Accountant and his team and will be responsible to the board for all financial matters, especially relating to the further expansion of the group: cash flow and the investment of funds; management information; improvement of accounting systems; and statutory accounts.

The company has reached an important stage of development and this new appointment calls for someone with good professional skills. Experience of the insurance industry is desirable but not essential. Personality is all important, and the successful candidate will possess a blend of strength and tact, enabling him to participate effectively in a young dynamic management team. Salary negotiable. Attractive fringe benefits.

Sir Timothy Hoare  
7 Wine Office Court  
London EC4A 3BY  
01-353 1858

**Career plan**  
Personal Consultants

## Chief Accountant

c.£10,000

Louis Dreyfus & Co Limited, a wholly owned subsidiary of SA Louis Dreyfus et Cie, Paris, wish to appoint a Chief Accountant. The company is principally engaged in commodity trading on a world-wide scale. The Chief Accountant will report to the Director of Administration and be located at the company's head office in London. This position has arisen due to a planned promotion.

The successful candidate will be a qualified accountant with a well developed flair for organisation and management. Age is not a critical factor in this appointment although it is unlikely that candidates aged less than 30 or earning less than £7,500 pa will offer sufficient maturity to discharge the responsibilities envisaged. Experience of working with a company engaged in international or commodity trading would be an advantage.

The Chief Accountant will control about 25 accounting staff through 6 section heads and will be particularly concerned with the:

- preparation of financial, accounting and statistical information for use by the Board
- preparation of statutory accounts
- consolidation of the group's financial accounts.

He or she will also be responsible for the preparation of annual budgets and financial plans, and also be closely involved with the operational trading management staff.

The commencing salary will reflect the importance attached to this appointment and there are good long term salary prospects.

Candidates, male or female, should write for a personal history form, quoting reference MCS/2000 to Roland Orr, Executive Selection Division, Southwark Towers, 33 London Bridge Street, London, SE1 8SY.

**Price Waterhouse**  
Associates

**N. M. Rothschild**  
Asset Management Limited

## American Portfolio Manager

We are looking for an additional member of our U.S. equity team. Based at Rothschilds in London, the work involves being part of a small group which manages specialist international portfolios and advises other departments on the U.S. equity content of their client funds. The ideal candidate will be aged 27/32 and he or she will have had at least three years experience in managing U.S. portfolios. A knowledge of U.S. energy and resources companies would be an additional attribute. The post, which involves regular research visits to America, offers real scope to a dedicated money manager. The remuneration package is interesting and competitive.

Apply giving detailed curriculum vitae and present salary to:

**The Staff Director,**  
**N. M. Rothschild & Sons Limited,**  
**New Court, St. Swithin's Lane,**  
**London EC4P 4DU.**





## Foreign Exchange Dealer

Major U.S. Corporate Bank  
Toronto based Aged 25-35

Our client, a leading New York bank, seeks an experienced foreign exchange dealer to re-locate permanently to Canada and assume responsibility for its Canadian subsidiary's Toronto Office foreign exchange dealing and treasury operations.

Candidates should have at least 3 years' foreign exchange dealing experience, a proven record of achievement and be currently active in the market.

Remuneration will be commensurate with experience, initiative and ability and a starting salary of between C\$20-30,000 will be paid, together with a comprehensive range of fringe benefits including a pension scheme and a house-purchase plan. Relocation expenses will be met in full.

Applicants should write, in confidence, enclosing a full personal history and indicating to which companies, if any, their application should not be referred to:

L. Duskwick Esq., (Ref: CRS/48), Lockyer Bradshaw & Wilson Limited, North West House, 119/127 Marylebone Road, London NW1 5PU.

### LBW

LOCKYER, BRADSHAW & WILSON  
LIMITED

Atlas Copco

## Credit Manager

We are part of an international organisation specialising in compressed air and associated equipment for the mining, construction and industrial markets.

A Credit Manager is required to administer a fully computerised credit operation in our continually expanding organisation located in modern offices at Hemel Hempstead. Reporting directly to the Company Secretary, the successful applicant will be responsible for the developing, implementing and controlling of credit and collection policies and procedures throughout the U.K. and Eire.

This is a senior management position requiring previous experience in the field of capital equipment, dealing with several thousand accounts, together with a knowledge of distributorships and long term financing agreements.

Conditions of service include:

- \* Free life assurance
- \* Contributory pension scheme
- \* 4-5 weeks annual holiday plus public holidays
- \* Index linked salary
- \* Subsidised restaurant
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Applicants, male or female, please apply:

The Personnel Manager:

Atlas Copco (Great Britain) Limited,  
P.O. Box 79, Swallowdale Lane, Hemel Hempstead  
Hertfordshire, HP2 7HA  
Tel Hemel Hempstead 61201

## Finance Director

£10,000

Sportswear

Our client is a large, successful and fast growing U.K. sportswear manufacturer. Selling increasingly overseas, with distributors world wide, they are developing local manufacture by licence and through subsidiaries.

The need is for an energetic, down to earth controller to give firm financial leadership across the board including production, investment, marketing and sponsorship. Some overseas travel is involved.

Candidates will be qualified, probably in their 30s and experienced in rapid growth, marketing oriented situations. They must have a positive and flexible approach to financial opportunities.

Remuneration is negotiable with excellent growth prospects. Benefits are good and include a car and re-location assistance to the East Midlands.

Please write in strict confidence, quoting Reference 596/FT stating age, experience, qualifications and present salary to:-

CB-Linnell Limited

8 Oxford Street, Nottingham  
MANAGEMENT SELECTION CONSULTANTS  
NOTTINGHAM · LONDON

## Senior Accounting Adviser

A major financial institution in the Middle East wishes to appoint an adviser to the manager of its investment department. The adviser will liaise with other senior officers of the institution and with expatriate professionals. The appointment is to succeed someone who will shortly complete a 2 year tour of duty in the job.

The specification calls for a mature chartered accountant of not less than 40 years of age who has substantial accounting experience in banking and investment. Exposure to EDP systems in these areas would be a considerable advantage.

Remuneration will consist of an annual tax free salary in the range of \$17,500 plus a living allowance of \$2,500 per month to cover air fares, maintenance of house and car, cost of chauffeur and other servants and personal expenses. Free furnished accommodation and a Chevrolet car will be provided.

Please write in confidence for a job description and an application form to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 8SY, quoting MCB/880.

Price  
Waterhouse  
Associates

## TECHNICAL SERVICES MANAGER

A new member of a Corporate Management Team at Group Headquarters

Applications are invited for the position of Technical Services Manager with Midland International Ltd.

This fast growing group manufactures and sells throughout the U.K. and Europe a wide range of Flair home improvement products.

The Technical Services Manager will report direct to the Managing Director, and will be responsible for the Technical Department and carrying out the following tasks:

- Integrating his function with Marketing, Production and Accounting Departments.
- Product development
- Process development
- Project Engineering
- Quality Control
- Value analysis
- Control of External Design Consultants

Starting salary negotiable.

Benefits include Company car, pension scheme and relocation expenses.

Candidates with a wide ranging background in Product or Technical Services Management in well organised manufacturing Companies should write to:-

Mr. J.G. Corrie  
Managing Director  
Midland International Ltd.  
Ballieborough Co. Cavan

ni

or call High Wycombe (446601) for an application form



HONG KONG  
MERCHANT  
BANKING

Wardley Limited intends to continue to expand by recruiting one or more executives in the areas of Corporate Finance, Syndicated Loans and Banking Services. The environment of both Hong Kong and Wardley is vigorous and challenging.

Candidates, aged 25 to 35, will have broad, international merchant banking experience. They will show initiative, flexibility and determination. Generous remuneration package includes free accommodation. Low tax area. (PW.561)

Candidates should write briefly and in confidence to the Managing Director, Executive Appointments Limited, 18 Grosvenor Street, London W.1, quoting reference. No identities divulged without permission.

## Investment Research Analyst

Charter Consolidated Limited have a vacancy for a research analyst in the Investment Department. This vacancy provides the opportunity for someone with fund management ambitions to join a small team responsible for the management of both trading and long term investment funds.

Candidates should ideally be in their mid 20s, have professional qualifications in economics or finance, and have gained some experience with a financial institution or stockbroker. Detailed knowledge of specific industries is preferable to general market knowledge, and experience of North American securities would be an added advantage.

The salary will be competitive, and conditions of service are very attractive.

Please apply in confidence to:-

Personnel Manager, Charter Consolidated Limited,  
40 Holborn Viaduct, London, E.C.1.

CHARTER

## EXECUTIVE POSITIONS WORLDWIDE

EXECUTIVE EMPLOYMENT BULLETIN  
A McGraw-Hill weekly airmail bulletin for engineering from England transcribes verbatim and technical ex- from leading European and U.S. executive jobs to which newspapers and direct sources anyone regardless of dozens of management re- nationality may apply. recruitment advertisements Verbatims for both bulletins of positions suitable for include name and address of internationally minded advertiser; name and date of newspaper.

UK - posted First Class - 13 weeks for £15.00 prepaid.  
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Cheque made payable to "McGraw-Hill International Publications Co., Ltd." should accompany order. Please specify which bulletin you require.

INTERNATIONAL MANAGEMENT  
EMPLOYMENT BULLETINS

Box 150, McGraw-Hill House, Maidenhead, Berks, SL6 2QL, England.

## STOCKBROKERS

Interesting opportunity. Vacancy in Private Clients department of large firm. Experienced Assistant (aged 25-35) required for Partner. Candidate will have passed S.E. Exams. Capable of managing clients' portfolios without constant supervision. Good prospects.

Please write Box A.6360.

Financial Times, 10, Cannon Street, EC4P 4BY.

## Hong Kong

Manager: Accounting & Administration

Our Client is a successful and expanding U.K. based International Merchant Bank currently developing its active operations in S. East Asia.

The requirement is for an experienced banker to assume overall responsibility for management of the administration and accounting functions of the bank's Hong Kong company, reporting direct to the Managing Director.

Ideal candidates, preferably aged 30-35, will possess a detailed knowledge of international bank accounting with the emphasis on foreign exchange, together with proven organisational abilities.

This represents an attractive career prospect with salary & benefits to match.

Contact Norman Philpot in confidence  
on 01-248 3812

NPA Recruitment Services Ltd

60 Cheapside · London EC2 · Telephone: 01-248 3812/3/4/5

## Chief F/X Dealer

City

c£14000

Expanding International Merchant Bank

Our Client, a prominent and expanding Consortium Bank, seeks to appoint a senior foreign exchange dealer.

Candidates, in the age range 28-35, will possess a minimum of seven years' active dealing experience with the accent on foreign exchange.

The scope and responsibilities of this position will be matched by a highly competitive salary and attractive benefits.

Contact Norman Philpot in confidence  
on 01-248 3812

NPA Recruitment Services Ltd

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## International Banking opportunities with Lloyds Bank International

LBI has expanded rapidly in the last few years and now operates in 44 countries with over 200 branches and offices. In order to maintain its aggressive approach and to develop its operations, further able bankers for middle management are to be recruited.

Applicants, preferably aged 35 and under, will ideally have the following qualifications and experience:

- At least five years banking experience.
- Corporate and international lending skills.
- Marketing and negotiating skills gained in dealing with corporate customers.
- Knowledge of foreign exchange operations.
- Appropriate professional qualifications or degree.
- Fluency in at least one foreign language.

Successful candidates should be prepared to assume executive posts in London or overseas after an induction period in Head Office. Future career prospects internationally are excellent.

LBI has a competitive salary structure at home and overseas plus special provisions for internationally mobile staff.

Please telephone Michael Thibouville on 01-248 9822 Extension 6064 during office hours (or 01-446 1890 in the evening) for further details and an application form.

LLOYDS BANK INTERNATIONAL

40/66 Queen Victoria Street, London EC4P 4EL. Telephone 01-248 9822. A member of the Lloyds Bank Group.

## Finance and Administration Director

Iran

£25,000+

A unique opportunity has arisen to join a major French company expanding rapidly in the international service industry for a Finance and Administration Director to be based in Iran.

Ideally aged 30-40 years the selected candidate will possess an ACA or ACMA, and have senior level experience in the total project control of all financial and administrative functions in the construction or service industries. A minimum of five years international experience is required, and candidates must be bilingual in English and French.

The selected candidate will have

total responsibility in Iran for all financial and administrative matters, including financial and management accounting, business planning, treasury and bank relations, legal and tax affairs, office administration and personnel.

A salary of at least £25,000 will be negotiated. In addition our client offers free furnished married accommodation, company car, paid leave and other benefits. Interested candidates should send full details of their qualifications and experience to date in strict confidence to Chris Jamieson, Lansdowne Recruitment Limited, Design House, The Mall, London W5 5LS. Tel: (01) 579 2282. (Ref ME650)

Lansdowne

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## Divisional Accountant

27 - 32

Kent £ negotiable + car

This is an excellent opportunity for a young chartered accountant who wants responsibility and sharp end experience now with excellent prospects in finance or general management. Our client is a subsidiary of a major British public group and the successful candidate, as a key member of the divisional management, will assume full financial control over three operating units with a small head office staff and teams on the sites headed by works accountants. Candidates must be chartered with some worthwhile post qualification experience in an industrial environment and well developed management skills. The total benefits package is well above average.

J.A.T. Bowers, Ref: 21127/FT.

Male or female candidates should telephone in confidence for a Personal History Form to:  
LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.

# Hoggett Bowers

Executive Selection Consultants

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# ACP

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An interesting and varied appointment leading to further increased responsibilities and earnings.

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PART QUALIFIED ACCOUNTANT—OFFICE ADMINISTRATOR

LONDON E.C.1

£5,500 — £8,000

WELL ESTABLISHED EXPANDING INVESTMENT TRUST COMPANY

We invite applications from candidates, aged 38-50, who have acquired a minimum of 3 years office administration experience in a service organisation, and are capable of taking accounts to trial balance stage. The successful candidate will report to a Director and be totally responsible for the day-to-day administration of a small efficient office covering payroll, pension, statutory secretarial returns, insurance, security and Bank of England returns. He or she will be required also to prepare the accounts of certain subsidiary companies under the supervision of the Group Chief Accountant and to deputise for him in his absence. Candidates will be sufficiently numerous to take part from time to time in the interpretation of company figures, (continuation training will be provided, if necessary in this area). Initial salary negotiable £5,500-£8,000, non-contributory pension, free life assurance, free family B.U.P.A., assistance with removal expenses if necessary. Applications in strict confidence under reference PQ0A194/FT. to the Managing Director:

ADMINISTRATIVE &amp; CLERICAL PERSONNEL LIMITED:

35 NEW BROAD STREET, LONDON EC2M 1NH • TEL: 01-588 3588 or 01-588 3576 • TELEX: 887374

## Regional Financial Controller

London based, c. £9,500 + car

This position offers wide experience and responsibility together with excellent and varied prospects. Our client is a major UK construction services group with strong penetration into markets world wide. The successful candidate, reporting to the Regional Managing Director, will assume full responsibility, through qualified subordinates, for the finance functions of several UK units one of which controls the company's African subsidiary. The sphere of activities is broad, with the emphasis on systems, cost control and company policy decision making. Candidates, ideally 28-35, will be qualified accountants, with significant industrial experience and must have a persuasive personality and genuine management skills. A working knowledge of the African business environment would be an advantage.

N.P.S. Lilley, Ref: 22068/FT

Male or female candidates should telephone in confidence for a Personal History Form to:  
LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.

# Hoggett Bowers

Executive Selection Consultants

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## Management Accountant

around £8,000 plus car  
Mayfair

A service-based public group with a turnover of £5m and market leadership in its sector has created this post to improve financial planning and analysis. It carries responsibility to the FD for budgets, project analysis, cash forecasting, preliminary acquisition studies, profit improvement exercises, control systems development and adverse variance investigations.

Candidates, ideally aged 26-30, should have prior experience of management information work in commerce or industry. They could either be young qualified accountants or mature ACCA/ACMA/ACIS finalists with more practical experience. Prospects are not confined to the financial function.

For a fuller job description write to John Courtis & Partners Ltd., Selection Consultants, 78 Wigmore Street, London, W1H 9DQ, demonstrating your relevance briefly but explicitly, quoting reference 7011/FT. This is an equal opportunity appointment.

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The London branch  
of a

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- \* Senior person fully experienced in all aspects of documentary work and associated loan administration
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All salaries are negotiable according to age and experience

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Mr. N. E. Wimpey  
BANQUE POUR LE COMMERCE  
CONTINENTAL  
Lee House  
London Wall  
London EC2Y 5AY

## EXPERIENCED INSTITUTIONAL EQUITY DEALER

Kemp-Gee & Co. are expanding their 'House' staff to service increasing business. The successful applicant will join a professional dealing team.

Remuneration for this important post will be fully competitive.

Please reply in confidence to:—

Ian Dipple,  
KEMP-GEE & CO.,  
20 Copthall Avenue, London, EC2R 7JS.

## UNIT TRUST MANAGEMENT

Company in the City requires a young person with investment experience to assist a director in the day-to-day running of funds.

Salary c. £4,500.

Please write to Box No. RD. 4568, c/o Extel Recruitment, Pemberton House, East Harding Street, London E.C.4.

## Finance and Administration Manager

London c. £18,000 + car + benefits

As one of the most respected and growth-oriented investment banking firms, our client provides a full range of investment banking services on a world-wide scale. The international banking activities are directed from its subsidiary in London and a programme of expansion is now under way which will result in the opening of new offices in major world banking centres.

Reporting to the Managing Director and as part of the young management team, the Finance and Administration Manager will be responsible for the efficient operation of all the financial and administrative activities of the firm, including financial reporting and control, treasury, accounting, taxation and personnel. With in-depth involvement in the governmental relations of the firm, the Manager will have the support of an internal team as well as outside lawyers and accountants. The role calls for interface with company management in offices throughout the world and the Manager will contribute to the formation of overall policy.

Candidates for this position will be qualified Accountants, men or women, who have acquired several years experience, ideally in an international financial environment. Personal qualities are equally important and candidates must demonstrate enthusiasm, commitment, leadership ability and integrity. The compensation package will be structured so as to be attractive to the person who best meets the qualifications described above.

Please write in confidence, quoting reference T.871, enclosing concise personal and career details to D. E. Sheppard.

# AMS

Arthur Young  
Management Services,  
Rolls House,  
7, Rolls Buildings, Finsbury Lane,  
London EC4A 1NL

## Financial Controller

c. £12,000 + Car

A rapidly expanding Travel Agency Company requires a Financial Controller to take charge of its Accounting Division, based in South East London.

The ideal candidate will be in the age group, 35-45, and should have substantial experience of managing a large computerised accounting department in a competitive commercial environment, handling a high volume of daily input.

It is essential that applicants should be able to demonstrate an outstanding aptitude for administration and the ability to organise and control the activities of qualified and unqualified staff to ensure the smooth and efficient operation of the Division.

Responsible to the Deputy Managing Director, the successful applicant's first responsibility will be to ensure the smooth running of the existing accounting and organisational procedures and to develop these procedures in order to provide for future growth.

Candidates with the necessary experience, energy, managerial ability and a keen interest in personnel matters will find this a most challenging and rewarding appointment. The salary is negotiable around £12,000 p.a. and a company car will be provided.

Apply, in strictest confidence, quoting Ref. No. AM86, to R. W. Murphy, Hughes Owens & Hewitt Ltd., Executive Recruitment Consultants, 6-8 Old Bond Street, London W.1., who have been retained to advise on this appointment. No information will be passed to our client without the applicant's prior permission.

# HOH

HUGHES OWENS &amp; HEWITT

## Financial Accounting Manager—up to £8,000

BROMLEY, KENT.

We are a highly successful UK International Manufacturing Group and a market leader. For a role much broader than traditionally accepted, we require a Qualified Accountant, ACA or ACCA, aged 30+ with industrial/commercial experience. The successful candidate will have control of 24 staff and be responsible for day to day accounting functions. It is envisaged that there will be an increasing involvement in such management and planning and eventually in group consolidations and the maintenance of accounting standards.

The benefits include bonus scheme, contributory pension scheme and relocation expenses. Interested candidates should apply to our consultants:—

# BSB

Accountancy Appointments

131-133 Cannon Street, London EC4N 5AX, telephone 01-623 9111

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# KLÖCKNER

Klöckner INA  
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We are an affiliated company  
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We wish to engage a

## SALES MANAGER

The applicant's age will be in the range 30 to 40 and the applicant will have a successful record in the industrial plants export business, either in a manufacturing, engineering, trading company or in a merchant bank.

Basic knowledge of German or French would be desirable but not a pre-requisite. The applicant must have an ability to establish contacts and negotiate projects

throughout the world and to head the Sales Department of our Company.

The position carries with it the chance of a directorship in return for successful performance. The position is ideal for a first-class sales manager who is the number two in the present organisation but wants to acquire board level status within the foreseeable future.

Applications should be submitted in writing to Mr. H.-J. Pretzell, Managing Director, and will be dealt with quickly.

Klöckner INA Industrial Plants Limited,  
Berkeley Square House, Berkeley Square, London W1X 5PA. Telephone: 01-492 0192.

# Senior Accountants

LONDON and LIVERPOOL  
Tax Investigation Projects (up to £7495)

This work, which is not limited to taxation specialists, offers more opportunity for independent thinking and action than most accounting roles in the public sector. Although you will sometimes be essentially an adviser operating in close liaison with Tax Inspectors throughout your region, you will in some cases have total personal responsibility for the initiation, planning and execution of assignments.

Most investigations are based on the thorough scrutiny of company books, documents and records, and frequently call for a considerable degree of perceptiveness in detecting facts—or omissions—which will prove a case. Such work represents a continuing intellectual challenge, in which diplomacy and determination play as important a part as professional skills and knowledge. It will appeal to

accountants with wide interests in business finance, who have gained comprehensive experience in professional practice since qualifying.

Applicants (preferably in their late 20s or early 30s) must be Chartered, Certified, Cost and Management or Public Finance Accountants.

Starting salary (inner London) will be within the range £6,400-£7,495 according to experience, and there are very good promotion prospects to Chief Accountant with salary rising to £9,190.

Liverpool salaries £465 less. Non-contributory pension scheme. For full details and an application form (to be returned by 12 June, 1978) write to Civil Service Commission, Alencon Link, Basingstoke, Hants, RG21 1JB, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours). Please quote G(AB) 590/2.

INLAND REVENUE

## Group Finance Director Public Company

The group manufactures specialist components for the mass production industries. It is a market leader with a high reputation for technical excellence. Turnover is around £15m; subsidiaries operate in the UK, on the Continent and in North America.

The group has grown substantially during the past 15 years; the next step is to review existing financial policies to secure short and long term business objectives. As a main board member, the group finance director will plan and implement these policies. This means streamlining the existing group funding and financial structure and enhancing operational efficiency through the use of management information services.

A qualified accountant is required who has made a personal contribution at a senior level with a major company. A practical understanding of modern management techniques, tax and other statutory requirements is necessary.

The salary will not be less than £15,000, plus car and other benefits. Age: up to 45. Location: Midlands. The appointment is open to men and women.

Please write in confidence to FJF Hall (Ref: 678F)

Thomson McLintock Associates 70 Finsbury Pavement London EC2A 1SX

T.M.L.

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## Financial Director

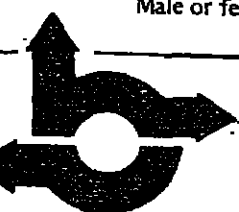
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This company, part of a multi-national group, is a rapidly expanding national wholesale and distribution business with a turnover in excess of £50 million. Responsibility will be to the Managing Director for the control of the total financial function of the business. As a member of a young dynamic Board of Directors there will be involvement in the development of company

policy, the preparation and monitoring of performance of the company's operations and acquisition investigations. Candidates, 30 to 40, should be qualified accountants, be commercially orientated with experience in computer applications and have a proven track record in a senior financial management role. Success in this position could lead to further opportunities within the group.

B.F. Hoggett, Ref: 10155/FT

Male or female candidates should telephone in confidence for a Personal History Form to:  
LEEDS: 0532-448661, Minerva House, 29 East Parade, LS1 5RX.



## Hoggett Bowers

Executive Selection Consultants

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Curriculum Vitae, indicating present salary and benefits, should be addressed to:

The Group Financial Director, Ever Ready Company (Holdings) Ltd., Ever Ready House, 1255 High Road, Whetstone, London N20 0EJ. Telephone: 01-446 1313.



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London W.1.  
Reference CS4.

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required by City Commodity Brokers near Fenchurch Street. Qualified person preferred with experience in the profession gained after qualifications. Company have ICL 2804 but Computer experience not essential. Salary £7,000 pa + annual bonus.

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Financial Times, 10, Cannon Street, EC4P 4BY.

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International financial organisation requires experienced financial writer to write comprehensive economic analyses in historical style on the various principal industrial countries.

The organisation will provide the research material required to write the articles to be written about various countries. The writer will be required to write about a country in each issue.

The successful applicant will have a background in international financial reporting. The writer will be required to write approximately two thousand words in 2100.

Please write, sending resume and examples of work, to:  
P.O. Box 502,  
Mansel, Barbados.

EUROBOND SETTLEMENTS U.S. bank needs someone, 20-25, with sound knowledge of primary and secondary market trading to be responsible for making with their New York office via computer link up. To £5,000. Write: Grove Recruitment Consultants, 659, 55A2.

IMMEDIATELY AVAILABLE, accountancy and financial consultant, offers services in various banking, etc. Please write: Box A.6381, Financial Times, 10, Cannon Street, EC4P 4BY.

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Our client is a management company based in Grand Cayman, British West Indies. The Company has been formed to manage the professional Reinsurance interests of a group of very prestigious multi-national corporations. Premium income is already running at the level of \$20 million pa with expectation that this will grow to \$200 million in the near future. An individual is sought to take over the accounting and financial control functions of the Company. Responsibilities will include: Supervision of accounting staff; operation of the company and statutory department; preparation of cost

control systems and budgets and cash flow management.

Candidates should be qualified ACA/FCA with a minimum of three years post qualification experience. They should possess some administrative and management experience and be familiar with modern financial management practices. Familiarity with United States practices would be advantageous as would knowledge of the Insurance/Reinsurance industry.

The Company is part of a substantial group capable of offering first-class career development. The position is

pensionable. The successful candidate will be expected to relocate to Grand Cayman. The job will ideally suit candidates with small families.

Your name will not go forward to our client until you have had a full briefing and have given your consent. Please send a summary covering employment history, achievements, current remuneration and age to:

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BDC (International) Ltd  
26 Dorset Street  
London W1M 3FU

A management consultancy specializing in recruitment and located in Great Britain.



## Company Secretary-Berkshire

Directorship prospect c.£1000

This appointment is with the principal UK subsidiary - turnover about £30m. - of a successful international construction group.

The appointed candidate will provide an authoritative service across the full spectrum of company secretarial responsibilities. A directorship could be earned after about 12 months.

Construction industry experience would be advantageous, but the prime requirement is several years' relevant and successful experience in a public company. A CA or CIS qualification is essential: the preferred age range is 35 to 45.

Employment benefits, which would include a quality car and re-location assistance, are of a high standard.

Please write briefly - in confidence - to C. Bexon ref. B.17269.

This appointment is open to men and women.

**MSL** Management Consultants

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17 Stratton Street London W1X 6DB

## Business Analyst Diversification/Acquisitions

This new appointment is a key role in the corporate plan of this successful East Anglian group (turnover £11m. plus) which has the capital resources to follow its policy of diversification.

Reporting to the group's Financial Controller and working closely with the senior management team, the appointed candidate will initiate and undertake evaluations of diversification opportunities, and subsequently contribute to planning the development of resultant businesses.

Probably graduates (ideally in business studies) aged 25 to 33, candidates should have experience of overall business evaluations, although their particular work may have been directed towards financial and/or marketing studies.

Salary up to £8,000; car; bonus; re-location help. Career development prospects.

Please write - in confidence - to G. E. Howard ref. B.29474.

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63 Temple Row, Birmingham B2 5NS

## Jonathan Wren - Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

### MARKETING OFFICER - BIRMINGHAM

Owing to promotion, a vacancy exists at the Birmingham Office of a leading international bank for an experienced Marketing Officer. Ideally, candidates will be currently employed in international banking in a marketing role, will have knowledge of the more important commercial corporations in the Midlands, and will have a good background of banking knowledge including credit appraisal, foreign exchange operations, and bills/credits. This appointment entails management of the bank's Birmingham Office, and there are excellent prospects for future progression within the organization which is represented in all major regional and international financial centres. The salary and benefits offered will fully reflect the demands of the position, and will attract applicants of the highest calibre.

Contact: Sophie Clegg

### EUROBOND SETTLEMENTS

A leading investment bank is expanding its Bond Settlement Department to meet the demands of increased business. Two opportunities occur for young people, ideally aged early/mid 20s, who are experienced in bond settlement procedures via Euroclear and/or Cedel.

Contact: Richard Meredith

### DOCUMENTARY CREDITS

An international bank seeks an experienced documentary credits clerk with a minimum of 4 years' experience. Salary is negotiable and there is the usual range of bank fringe benefits.

Contact: David Grove

170 Bishopsgate London EC2M 4LX 01-6231266/7/8/9

## Manager - Finance

Broad business role  
c.£8000 : London

This is a challenge to the forecasting and detailed planning ability of the qualified accountant. Milbank Technical Services is engaged in the sale, supply service and associated training for defence sales to overseas governments and, in the process, negotiates long-term fixed price contracts where accurate forecasting is crucial to profitability.

This opportunity is for someone to head-up the financial function in one of the MTS divisions and take responsibility for the financial input to the contract control system. Prime task will be to develop methods of costing, monitoring and budgeting.

Applicants, male or female, aged around 35, will be qualified accountants with commercial experience, preferably including exports and a knowledge of exchange control and foreign currencies.

Salary around £8000 plus other good benefits.

For further information on this challenging opportunity, please telephone (01-629 1844 at any time) or write to the address below, quoting ref. B.8044.

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Telephone: 061-832 8631 (24 hr. service), quoting Ref: 2246/FT. Reed Executive Selection Limited, 15 Piccadilly, Manchester M1 1LT.

The above vacancy is open to both male and female candidates

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Our clients, an international service group (T/O £300m), are conscious of the need for the efficient management of money and consequently place great emphasis on the role of the treasury department. Following internal promotions, they are now strengthening the department by the appointment of an Assistant Money Manager who will be working closely with the Money Manager in controlling the group's cash resources and debt portfolio and will also supervise the substantial foreign currency purchasing. Candidates, male/female, must have an in-depth knowledge of commercial banking and exchange control including foreign exchange dealing. REF: 462/FT. Apply to R. P. CARPENTER FCA, FCMA, ACIS, 3 De Walden Court, 85 New Cavendish Street, London W1M 7RA. Tel: 01-636 0781.

**Phillips & Carpenter**  
Selection Consultants



# Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

## COMMUNICATIONS

### Racal bids for a big modem market

ANNOUNCING a family of data communications modems based on the latest available technology in the form of custom-designed microprocessors, Racal Milgo has also moved to expand its management structure the better to meet the burden on the top men of running an important international company operating in one of the fastest-growing and most bitterly competitive sectors of the electronic equipment market.

It is a major unit in the newly formed Racal Data Communications Group, where several reinforcing moves are also being made, so that the activities of U.S. and European wings of Racal-Milgo as well as Racal-Vadic can be closely coordinated.

Three new main lines of modems have been developed for high-speed data communications work, operating at 9,600, 7,200 and 4,800 bits per second.

In the view of Barry Sturtard, now technical director of Racal Data Communications and a

Read, Reading RG3 OSS.

### Viewdata adaptor

DEVELOPED by Labgear for use in the market trials of Viewdata scheduled to start next month is an adaptor which allows the service to be received with no internal modification of colour or black and white television sets.

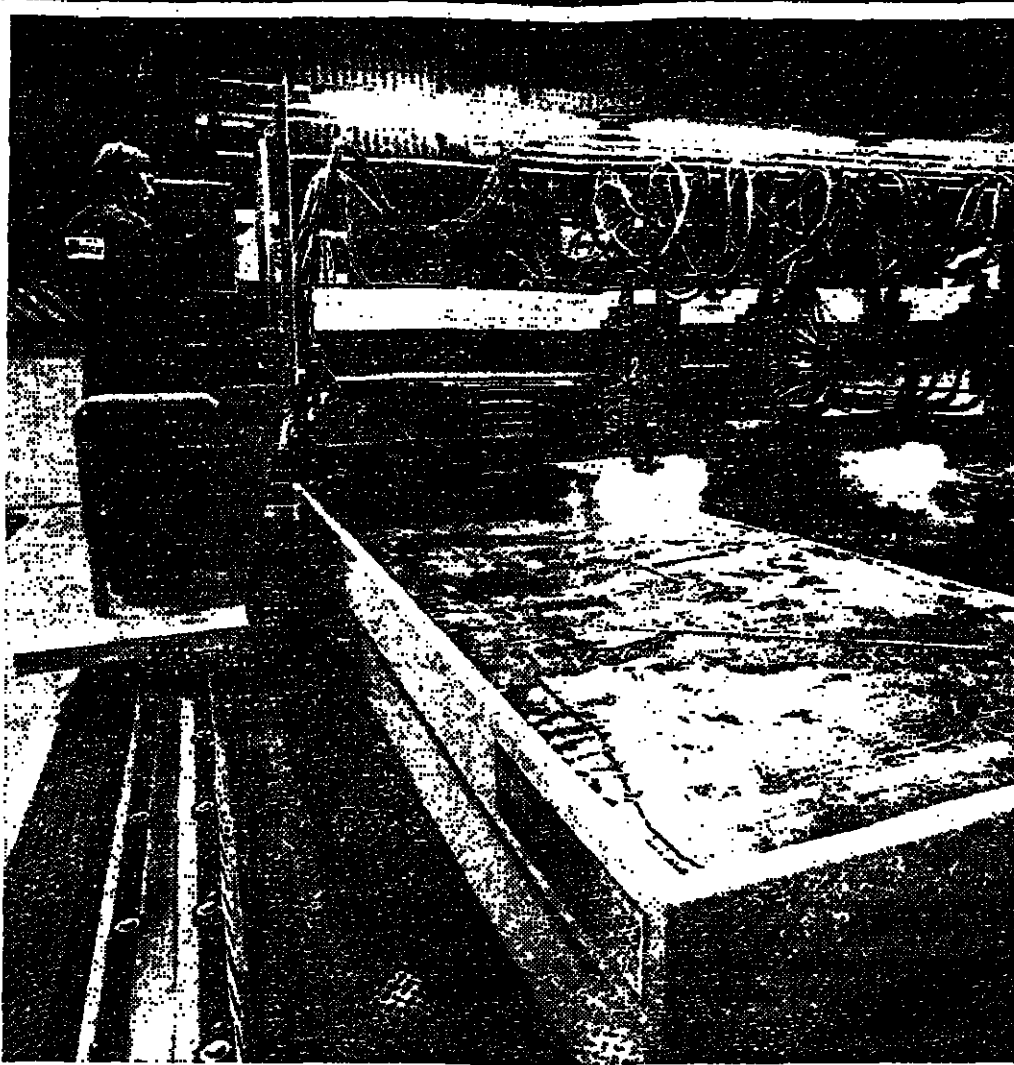
It consists of a small wall-mounted unit connected to the phone line by a Post Office 96A jack, and a cable connected hand-held control box which is plugged into the set's UHF aerial socket via coaxial cable.

Contained in the wall unit are modem, isolation circuits, auto-dialing facilities, logic decoders, on 0223 66521.

### Data switching systems

ANNOUNCED by Philips Telecommunications Industries are a pair of message and data switching systems designed for aeronautical operations where it is necessary to start with a small system and grow to something bigger.

Called AEROPP I and II, the equipments permit a small initial installation handling only a few messages and more complex aeronautical fixed telecommunication network (AFTN) traffic. More from the company at user centre providing a full P.O. Box 32, Hilversum 1301, The Netherlands.



Control of cutting is from the panel on the left.

## METALWORKING

### Precise shaping of steel plate

PLATE profiling and nesting to the most exacting specifications applied anywhere is being carried out by Fiat-Allis at its Essendene plant, near Stamford, Lincolnshire, using a Telexex numerically controlled profiling unit which was shown in operation for the first time yesterday.

The Telexex equipment, supplied by ESAB, incorporates Kongsberg numerical controls. It is of portal construction with a gantry beam mounted on identical side carriages. Nine slave carriages are driven by a single transverse motorised carriage moving a steel drive band. The nine are arranged in three groups each consisting of a single oxy/gas cutting torch, a single nitrogen/water injection plasma unit and an oxy/gas torch mounted with a fine oxide powder marking torch which can operate for marking at 12 metres/minute.

In this way, three plates of 2 x 6 metres can be cut simultaneously and as there are three separate water tables, a total load of nine of these big plates is possible. Plasma application has required the installation of water

## CONSTRUCTION

### Making a space

IT IS being claimed that the cost of void forming in construction work can be reduced by using a material called Celcor.

This product which combines a cellular core with strong facings is available in 1 inch and 2 inch thicknesses and can be safely walked on when installed.

## OFFSHORE INDUSTRIES

### Protection of pipelines

A MUCH greater demand for the use of epoxy based fused powder coatings for pipeline protection was forecast yesterday at a symposium organised by Shell Chemicals U.K. in London.

Referring to plans for a new 42ins diameter transmission pipeline for North Sea gas from St. Fergus, Mr. David Gray of British Gas Engineering Research Station, Newcastle-upon-Tyne, said, "We are switching from the conventional coal tar wrapping method because of the more exacting demands of coating performance made by modern pipeline technology."

This will be the first major European pipeline project to use epoxy powder coating. The line is expected to be 450 km long and construction is to be spread over

several years, starting in 1980. This project will result in an increase of some 50 per cent in the use of epoxy resins for powders in the U.K.

Powders based on epoxy resins can be formulated to produce inert coatings for a wider range of operating conditions than competitive techniques, it was claimed at the symposium. They can be used even where operational temperatures exceed 100 degrees C, whereas conventional systems begin to lose their essential properties substantially below that temperature.

The unit cost of pipework treated with epoxy-based powder systems is usually equivalent to, or slightly lower than, traditional epoxy powder coating. Field operations and competitive coating methods, such as handlining, testing and re-pair were all simplified.

## MATERIALS

### Study of adhesives

A STUDY based upon an extensive programme of field, interviews with raw materials manufacturers, formulators, specifiers and users in the major adhesive application industries in Europe, has been started by Industrial Adhesives.

Its prime object is to quantify the market by adhesive type and end-use application in the now in progress represents an Benelux, France, West Germany and the UK, and initial sub-scribers special interests will be taken into account in planning the research parameters.

Market patterns will be analysed, technological trends researched and evaluations will

## PROCESSES

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More on 0582 54271.



## INSTRUMENTS

### Big trade show

MORE THAN 50 U.S. companies are expected to exhibit at PCT 78 to be held at the United States Trade Center, June 5 to 9 inclusive.

Most of them will be showing thermometers, temperature and pressure controlled switches and valves and a significant proportion of the companies are new to the U.K. marketplace. Some will therefore be looking for U.K. companies to represent them and handle sales of their products not only in Britain but in several other parts of the world.

More details from the U.S.T.C. 4 Larchmont Place, London W1N 8AF (01-637 0551).

### Feed data measured quickly

NEOTEC grain and feed quality analysers are to be marketed in the UK and Ireland by Henry Simon (Special Products Division), Stockport, following an exclusive licence agreement with Neotec Corporation, Maryland, U.S.

These analysers will accurately measure moisture, protein, oil, fibre and other constituents in all types of animal feeds, cereal grains and flours.

Measurement of quality parameters normally requires time-consuming and difficult techniques. The Neotec analysers, using an infrared spectral approach, provide simultaneous, accurate, direct reading percentages of up to six different constituents within 30 seconds.

Although the analysers are highly sophisticated instruments, they are extremely easy to use and no special operator skills are required.

Simon Engineering, PO Box 31, Stockport, SK3 0RT. 061 428 3600.

## A FINANCIAL TIMES SURVEY

### UNITED ARAB EMIRATES

JUNE 26 1978

The Financial Times proposes to publish a Survey on United Arab Emirates. The main headings of the provisional synopsis are set below.

**INTRODUCTION** The UAE in the seventh year of its existence. The continued development of the federation and federal institutions under President Sheikh Zaid. Factors leading to greater federal unity without undermining the traditional authority of the individual rulers. The integration of the police and armed forces and participation by Abu Dhabi's fellow Emirates in the federal budget. The UAE's role in the Arab world and its relations with its immediate neighbours.

**THE ECONOMY** Structure of the economy based on the twin poles of Abu Dhabi's oil wealth and Dubai's income from hydrocarbons and trade. The growth of federal spending.

**DEVELOPMENT** The development of the infrastructure, a service economy and industrialisation. The disparate nature of development planning in the UAE. Abu Dhabi's own projected industrialisation project at Ruwais.

**FOREIGN POLICY AND AID** The UAE's relationship with Saudi Arabia and its views on Gulf security. Relations with other neighbours, including Oman.

**DEFENCE** The main security threats to the UAE. The united armed forces. Progress towards integration. Military purchases. The navy and air force.

**INDUSTRY** Changing policies towards major industrial projects. The major plans of Abu Dhabi and Dubai and the progress to date.

**INFRASTRUCTURE** Progress towards completing basic economic installations in the Emirates. Telecommunications, sewerage, water, electricity, port facilities, airports, housing.

**PORTS** The immense expansion of the UAE's port facilities and plans to develop new capacity.

**AIRPORTS** The UAE's existing international airports at Abu Dhabi, Dubai, Sharjah and Ras al Khaimah. Plans for new airports at Al Ain, and Abu Dhabi.

For advertising rates for this Survey please contact Laurette L. Lecomte-Peacock, Financial Times, Bracken House, 10, Cannon Street, London EC4P 4BY. Tel: 01-248 8000 Ext. 515.

**FINANCIAL TIMES**  
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The content and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

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May 11, 1978

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by RONALD CRICHTON

Visually the Welsh Grimes is not in the same league as Covent Garden's present staging. Henry Bardón's sets not altogether successfully mix dimly painted



A map of the Eastern United States, specifically focusing on the area around Washington, D.C. The map shows the outlines of Maryland, Delaware, New Jersey, West Virginia, and Washington, D.C. The names of these states and the district are printed on the map. A compass rose is visible in the upper right corner of the map area.

## Sheila Gish and Jonathan Kent

**Georgina Hale and Susan Harroshire**

**Barishnikov in *The Turning Point*.**

his core Cauley has turned to Britten's first string quartet—music strongly dramatic in mood and texture—and the choreography develops easily, revealing also that Cauley has more assurance in construction than the dancers. The dancers are dressed in white mailots; we are spiritually and actually in the world of class and rehearsal. There is also a counterpoint of incident from the past, showing the daily lives of dancers: tired bodies slump in repose; one girl, still remaining behind the scrim, sits sewing tapes on a pair of shoes, her voice exactly matched by the virgins glowing faintly of Pasquel.

The second, scherzo movement of the quartet is written for four boys, whose awareness of the physical demands of their calling is highlighted by their enervated, Pasquel's physique.

The new movement is a duet for Sui Kan Chiang and

Keith Barlow. Ashtonian in manner, it seems part formal recitation of choreography and part comment upon the artists themselves: there is a neat shock when, at the most ecstatic moment, the tension is broken as the dancers "step outside" the duct because the choreography has been so much more virtuosic than the dancers. The artists need a rest. Cauley re-establishes their relationship very subtly at the end of the movement when the girl stands resting in the wings and the boy moves lovingly behind her. Her hand goes up to his face, touching his forehead, a fond but absent-minded gesture which suggests that a professional identity is here more important than any personal consideration.

This is a recurrent idea in *Last of Three* (a title having no more meaning than the work's intended place in a triple bill). The real matter of dancer's lives, their physical nature as performers, is what Ashton dominates every other feeling.

former filer's male in a yard where they are building the nest. The male is a vast

computer and the deaf old lady who are brought on to engage in conversation; it is concerned with the universal as opposed to personal truth. Only the three people in the condemned pub, calmly discussing such trivia as the moon fall, generate the theatrical tension.

the attempt at atomizing the melodic line or its harmonies. But the two *presto con fuoco* interludes have no anger in them. The easy passages are done fast; the difficult ones are slowed down. Arrau's playing of the A flat Ballade is heavily accented, with a strong pedal, and with an agonisingly predictable rubato which lingers on the last beat of nearly every bar. I have not heard anyone, anywhere, give the graceful of the syncopated second subject, as Arrau gives it, on the A instead of before it, — the effect is absurd, interrupting the rhythmic flow of the piece, in the purest mannerism, and historically, as well as musically, wrong. The fourth Ballade, too, is shot through with as often as not, turn after turn the same lurching "expressive" rubato and effortful point-making. The second-side fill-up of the F minor Fantasia is more congenial; a subdued vision of the music, but far less ponderous, underpinned by a dark, almost poetic, poetry of its own. It is a pity that the music has been recorded on a different disc, entirely from the Ballades. At a few or two notable moments the music lifts, and a fulfilment peers through.

John O'Connor is a young

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## FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3BF  
 Telegrams: Finantime, London PS4. Telex: 886341/2, 883897  
 Telephone: 01-243 8000

Thursday May 18 1978

## After eight months

WITH FIGURES now available for the growth of average earnings during the first eight months of the present wage bargaining year, the outlook is better than the pessimists feared. The increase for the whole year will certainly be greater than the 10 per cent which the Government first assumed as the basis of its economic calculations and subsequently sought to enforce as a norm, but it may well be close to the 14 per cent which has been the most popular guess for some time past. The Department of Employment now publishes two indices of earnings. The long-established one is corrected for normal seasonal variations but covers only part of the economy; the newer one covers virtually the whole of the economy but is not seasonally corrected. The former shows an increase in earnings over the eight months of 8.7 per cent, the latter one of 7.4 per cent.

The fact that the broader index is not seasonally corrected may be an advantage in a year when the pattern of pay settlements has not been normal. The fact that it suggests a slower growth of average earnings than the older index is the more acceptable since a comparison between recent figures and those of the same period 12 months earlier points in the same direction. It seems probable, in any case, that average earnings for the economy as a whole have risen more slowly than those in the production industries.

## Changed pattern

If the experience of Phase Two were a reliable guide to the outcome of the present round, the Government could afford a little complacency. Between the first eight months of Phase Two and the completion of it, the broader index rose by only 2.8 per centage points. But it would be a mistake to rely on the same thing happening this year. In the first place, the seasonal pattern of settlements has been different. Unions have deliberately been delaying completion in the hope that the guidelines would be less strictly observed as time

## Spending power

Whatever the final outcome, however, it is clear that the year-on-year rise in average earnings is already greater than that in the index of retail prices and that the gap will continue to widen for at least some months to come. The improvement in real gross earnings will be carried further by tax cuts and consumer spending is likely to rise faster, so, too, are imports of finished manufactures. So far as future pay restraint is concerned, the important question is whether the slackening rate of inflation will so affect expectations as to make unions content to press for moderate increases in the next round or whether, as the CBI suspects, it will be difficult to persuade the public that moderate increases are necessary in a period of relative economic prosperity. The CBI believes that it is now too late to put its long-term proposals about bargaining into operation by the beginning of August and seems reconciled to the need for guidance, though of a much more flexible kind, in the round to come.

## The spread of cartels

THE LOW level of capacity utilisation which prevails today in European industry is due in part to mistaken investment decisions made three or four years ago. Manufacturers supposed that the growth rates which they had experienced in the 'sixties and early 'seventies would, after a short pause, be resumed. As it turned out, the pause lasted longer than any one expected and long-term growth forecasts have been revised downwards.

New plants have come on stream in markets that were already over-supplied, prices have been driven down to uneconomic levels and companies have been losing money. These problems are especially acute in capital-intensive industries like petrochemicals. The question which is exercising companies, governments and the European Commission is whether the sorting-out process can be left to market forces, or whether a co-ordinated approach to capacity reduction and perhaps also price stabilisation is necessary.

## Uneconomic

In steel there was agreement among governments that some co-ordination, at least on prices, was appropriate. But it is significant that the closure of obsolete capacity, which is one of the keys to the restoration of orderly market conditions, is being carried out at a national level, without intervention from the Commission. It is arguable that the most useful role for the Commission is to ensure that, in accordance with the Treaty of Rome, state aids are not being used to keep uneconomic companies alive.

The proposed cartel for synthetic fibres goes further. The participating companies have apparently agreed to specific cuts in capacity and, in effect, to an allocation of markets. The justification is that, on top of over-investment (especially in Italy), the fibre market has been disrupted by imports of textiles and clothing from outside the EEC.

The cartel can be seen as an internal extension to the Multi Fibre Arrangement, which regulates international trade in textiles.

Whether these arguments satisfy the competition direc-

## Consumers

Trade associations of this kind can be useful in helping the EEC to formulate its external trade policies and, internally, in disseminating better information about supply and demand trends. But the prospective alliance of strong trade associations with a powerful directorate in the EEC raises anxieties, not least about the interests of the consumer. In internal extension to the Multi Fibre Arrangement, which regulates international trade in textiles, it is time for a thorough appraisal of what sort of industrial strategy, if any, the EEC should have.

## The bizarre troubles and worries of Fleet Street

BY MAX WILKINSON

TONIGHT'S Commons debate on the state of Fleet Street comes at a time of bizarre contradictions and serious anxiety about the future of national newspapers.

At one moment the street is full of talk about new titles, new investment, improved revenues and new technology; almost in an instant the mood changes to deepest gloom and the prospect of closures, redundancies and financial ruin.

Recent pronouncements from The Times and The Observer are the most obvious examples of the precariousness of the industry. Both newspapers are now beginning to emerge, in their different ways, from long periods of difficulty; yet just as prospects look brighter they are both threatened with indefinite closure.

Last year The Times moved into profit for the first time in more than a decade. Costs have been trimmed, revenues have risen. This improvement coincides with the installation of £2.5m worth of computer typesetting equipment for The Times, The Sunday Times and the three Times supplements which should be able to secure their future profitability.

Similarly The Observer, having acquired Atlantic Richfield as a \$100m parent company has had access to funds which helped to reverse its decline in circulation and to produce a much healthier looking Sunday newspaper.

Both papers are benefiting from the encouraging if unspectacular improvement in advertising expenditures and from several other factors which ought to be giving Fleet Street a renewed feeling of confidence. The price of newsprint has stabilised after the giddy series of increases amounting to about 150 per cent in 1974-75. Cover prices have increased substantially without any serious decline in circulation, and the threat of Government interference has largely receded. Express Newspapers, Associated Newspapers and News International have all been considering the launch of a new London evening paper, and the Express is also planning a new Sunday paper. This mildly improving climate is completely overcast, however, by the continuous series of disputes and disruptions which are estimated to have caused the loss of 60m copies already this year.

Last Sunday The Observer failed to appear because of an official action taken by 25 machine minders. As a result, the management has told the National Graphical Association to which the men belong, that the paper would be shut down unless trouble-free production can be guaranteed.

Similarly the management of Times Newspapers has told the unions that publication of all its papers would be suspended

if agreement could not be reached by the end of November on ways of preventing disruption.

A letter to the unions from Mr. Duke Hussey, the company's managing director, says the company had lost £17.5m in profit this year as a result of unofficial disruption.

His letter goes on: "Every dispute has been unofficial, and had the correct procedures been followed, neither copies nor revenue would have been lost."

"In the first quarter of 1978, we lost 7.7m copies, a stagger-

## FLEET ST. INDUSTRIAL LOSSES

First quarter 1978

DAILIES	'000s
Mirror	5,084
Sun	7,791
Express	2,444
Mail	2,385
Telegraph	5,356
The Times	3,291
Guardian	633
Financial Times	426
Total dailies	27,637
SUNDAYS	
News of the World	594
Sunday Times	2,148
Observer	108
Sunday Telegraph	2,080
Total Sundays	4,932

Source: UK Press Gazette

ing 20 per cent of total output. The effect has been and continues to be, disastrous."

Although The Times has probably suffered the worst loss of revenue, publication of almost all Fleet Street's 18 titles has been hindered by disputes and technical troubles, which have become shockingly frequent even judged by Fleet Street's own low standard of industrial relations.

The results have been measured not only in lost copies, but in failures to produce the usual number of editions, inability to make late corrections and a frequent failure to meet production deadlines. The inability of newspapers to deliver their final editions on time caused further disruption of the London wholesaling operation when employees demanded extra money for handling delayed editions.

The origin of Fleet Street's labour troubles can be traced back many years to management's repeated inability to resist ad hoc demands of small groups of workers who are strategically placed to prevent publication if they wish. Patchwork of local agreements have therefore been concluded which, even with good will all round, tend to throw up frequent anomalies and problems. Another result has been very substantial overmanning in many departments.

However, the old weaknesses

have now been compounded with several more modern causes of unrest which may help to explain the current epidemic of troubles.

The change most often discussed is the advent of computer technology which could replace all the hot metal typesetting machines and several other relics of Victorian invention which are still in use. Computers could reduce the number of jobs by at least 30 per cent and possibly a good deal more. And since printers are paid very highly (earnings range up to £10,000 and more), the potential savings are very attractive to managements.

Although publishers and the national union representatives agreed a plan for introducing computers which would have protected all present employees and provided substantial payments to those leaving voluntarily, the proposals were rejected by ballots of Fleet Street workers last year.

It is clear that many workers are worried as much by the prospect that their traditional skills will be made obsolete as by the reduction in the overall number of jobs available. Outside Fleet Street, computer typesetting machines are already being operated by journalists and others without printers' skills.

The Daily Mirror Group is the first in Fleet Street to adopt computer typesetting. After a major dispute with journalists who wanted to be given comparable pay with that offered to printers, the typesetting of Reveille was moved onto the computers. However, after a disastrous start, The Sporting Life has reverted this week to traditional production methods because of "technical troubles."

Times Newspapers has, in some respects, a more ambitious plan for non-printers to be allowed direct access to a computer system's keyboards. The equipment is already installed, and after teething troubles, is said to be ready to run. But as yet, no agreement has been reached with the print unions on its use.

Most other newspapers have outlined plans to change to computer typesetting. There is also a general move towards the facsimile transmission of complete pages for printing at a remote site. The Guardian already uses such a machine to prevent duplication of typesetting in its Manchester and London plants. The Daily Telegraph is planning to use a similar link, and the Financial Times intends to use a facsimile link to Frankfurt, West Germany, where it plans to print for overseas markets.

The current troubles could therefore be seen as a final flexing of muscles before unions and management negotiate terms for the most important changes in technology in Fleet Street's history. Managements

Shutdown threat by The Observer

Printers' leaders to discuss Times ultimatum

Government urged to act over Press disputes

BY OUR LABOUR EDITOR

SWINDON'S PRESS AND TELEVISION UNION leaders this week warned that they would demand a 10 per cent increase in wages for their members in the next round of negotiations. The union's leaders said that they would also demand a 10 per cent increase in the number of jobs in the industry. The union's leaders said that they would also demand a 10 per cent increase in the number of jobs in the industry.

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The feuds that are killing Fleet Street

The future of newspapers is by no means secure. The threat comes not from TV but from the strife between managements and the unions. By Michael Beckett

DIARY OF DISASTER

1978 LOSSES TOP 27m.

LAST week's statistics of Fleet Street's losses for the first quarter of 1978 show that the industry has lost more than 27 million copies of newspapers since the start of the year. The loss is the highest since the start of the year. The loss is the highest since the start of the year.

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## MEN AND MATTERS

A BCCI finger in Gerrard Street

As Nicholas Colchester made clear on this page yesterday, the Bank of Credit and Commerce International has high aims—"to become the biggest bank in the world"—and diverse interests. These even include supporting, albeit indirectly, a magazine for coloured immigrants which has just been launched from a restaurant in London's Gerrard Street. The magazine, a monthly called The Asian, aims to explain the views of the coloured elites here to one another, as well as to those white Britons who care to know.

The long-range BCCI involvement comes through an organisation called Third World Media, which has its offices in New Zealand House. The bank has advanced a large unspecified sum to Third World Media, which in turn has given The Asian something far more modest—I gather it to be £5,000. The chairman of The Asian's editorial advisory board is Altaf Gauhar, who is also chairman of Third World Media. Like most of BCCI's senior executives, Gauhar is from Pakistan. However, the managing editor of the magazine— and owner of the Ganges restaurant much favoured by journalists—is Tasadduq Ahmed, a Bengali. The magazine is type-set on a small computer by the editor-restaurant's wife; she is German.

British and German opposition may prevent any specific proposals on plastics going to the Commission, but the arguments about policy will continue. There have been suggestions that European industry, in competing against the other trading blocs, suffers from an excess of laissez-faire and from a lack of cohesiveness: it is argued that European trade associations should be strengthened and should work closely with the Commission to improve the health of their industries.

Consumers

Trade associations of this kind can be useful in helping the EEC to formulate its external trade policies and, internally, in disseminating better information about supply and demand trends. But the prospective alliance of strong trade associations with a powerful directorate in the EEC raises anxieties, not least about the interests of the consumer. In internal extension to the Multi Fibre Arrangement, which regulates international trade in textiles, it is time for a thorough appraisal of what sort of industrial strategy, if any, the EEC should have.

Why not, now that they're going into the tomato growing business!

Business Affairs Manager of Leyland Cars—a title which meant that he had a department of about 12 people handling the public relations side of Leyland's activities. Leyland's image is not the tops but you could hardly blame that on the 34-year-old Harrison.

Since Africa provides little to smile about these days, it is good to learn that Zambia's President Kaunda and Premier James Callaghan have developed what anthropologists call a joking relationship. Just before Kaunda left London for Washington, they exchanged anecdotes.

Jim told how he stayed at the Victoria Falls and one New Year's Eve was astounded to see two Scotsmen with bagpipes appear in kilts and bonnets. After the diners had listened for a while to the pipers, a black waiter was heard to say: "Do you think these people are ready for self-government?"

Kaunda's story, even more

Black humour

Request granted. The committee then decided to hear out the then Minister of Labour. It invited him to appear seven times and then finally received "information"—unspecified—from him. Two years later the original Presidential message was reclassified—so much so that it ended back in the files. Now once again a Brazilian Congressman has asked the Presidential message to be revived. The request has again been granted. But that sense of urgency seems lacking. After all, it would mean that Brazilian workers would join those of most other countries in having

apocryphal, is about a white South African who had worked so long on the Zambian Copperbelt that he had lost contact with events at home. Eventually he goes down to Cape Town for a holiday, and on the beach meets his old friend John Vorster. "So what are you doing these days, John?" he asks. Rather startled, Vorster explains that he is the Prime Minister. "Good heavens, man," says his old friend, "up where I live they leave that work to the natives."

Going slow

A fresh attempt to persuade Brazil to adhere to an International Labour Organisation Convention has underlined how the sense of urgency melts in the tropical sun—particularly when it is anything to do with freedom of association and protection of the right to organise.

These are the two subjects of ILO Convention number 87 of 1948. One year later Brazil's then president, Eurico Dutra, requested Congress to adhere to it. But for 17 years his request stayed locked in the Congressional procedures office. In 1966 a Congressman blew the dust off the topic and asked the Congressional Foreign Affairs Committee to reclassify the 1948 Presidential message.

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Flight information

Woman at Gatwick inquiry desk: "What time does my flight leave?" "Who are you flying with, madam?" The woman gasped "Oh" and rushed away. A few minutes later she reappeared, dragging a man: "Him."

Bosses' race

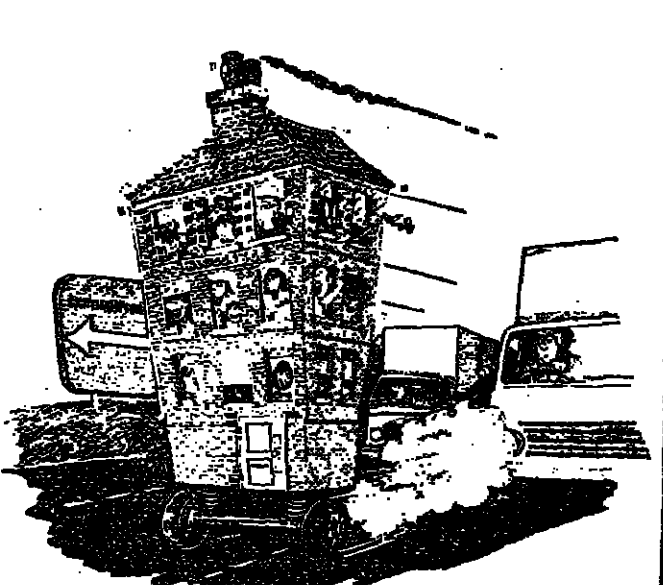
John Greenborough, deputy chairman and managing director of Shell UK, finally began his formal two-year term as President of the Confederation of British Industry yesterday but already the jockeying is beginning by those who wish to succeed him.

Greenborough sharpened the pace yesterday by telling the CBI's AGM that in future the Confederation's two vice presidents should be men on their way up rather than—as is the case today—past presidents. In three weeks time the President's Committee is to meet and by then some indications should be emerging, with whoever is then "appointed" by the Confederation's council on June 21 liable to be "elected" by the AGM next year.

So who are the front runners in this behind-the-scenes race? Well, I would not care to bet, but the experts are talking of Terry Beckett of Ford, Adrian Cadbury of Cadbury Schweppes, Ray Pennock of ICI, Alex Jarratt of Reed International and Hector Laing of United Biscuits.

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Observer



## Get your office moving up the M1

Actually we told Mr. Bloggs he didn't need to bring the office with him. Since 1970 1 million sq ft of office development has been added to the 1.25 million sq ft previously occupied in Northampton's town centre, and a further 1.5 million sq ft is still being developed. Campus sites are also available on the major industrial development at Moulton Park.

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# The suppression of the housing debate

MR HUGH ROSSI asked Mr. Reginald Freeson, Minister of Housing, this week, when his department would publish the result of its review of the Rent Acts. It was not the first time that Mr. Rossi had raised this question, but Mr. Freeson could not satisfy him, for he is answerable to a departmental overlord. Mr. Peter Shore, Secretary of State for the Environment, is at his tricks again. After emasculating the general review of housing finance started in 1975 by his late predecessor, Mr. Anthony Crosland, he now seems to be doing his best to smother the Rent Act review altogether. The suggestions of his officials are so embarrassingly sensible that he has forbidden them even to discuss their ideas with civil servants in other departments.

This goes a stage further even than the effective suppression of public debate during the long lack of progress of the old review. That exercise was started in a very different spirit by Mr. Crosland, who declared that there would be no sacred cows. "I shall set out with enthusiasm if I am convinced that the slaughter of some of these expensive beasts will improve housing conditions," he said. That was almost exactly three years ago. In this spirit did cause he roped in most experts in the field with anything worthwhile to say.

The only result, alas, was that all were brought under the provisions of the Official Secrets Act in a period when they could have been working up some public acceptance of the need for change. Although the experts are now once more stating their own points of view, three years have been lost, and a Green Paper has appeared saying "I told you so."

## Forgivable

The Rent Act suppression is more outrageous, but in a way more forgivable. The 1974 Rent Act is perhaps the most damaging legacy of Sir Harold Wilson's old habit of legislating in haste and repenting at leisure. It was brought in figuratively, over the dead bodies of civil servants who knew very well that it would simply add acute new problems to the existing housing mess. It is perhaps human to stop them saying "I told you so."

It is only fair to add that the Conservative Party has its own bodies to hide, and might in similar circumstances be equally reluctant to indulge in open government. Mr. Rossi is hungry for the Rent Act review, and rightly so; but were he seated behind Mr. Freeson's desk, he might be less forthcoming about revealing his department's views about selling council houses in areas of housing stress.

The politics of housing would be a subject for light satire rather than grinding rage were it not for the fact that the economic issues involved are so important. If policy errors meant only acute suffering for a minority, and good housing for the rest, it could be left to the market; but the damage is in fact much more widespread.

Viewed even purely as a housing problem, British policy involves both excessive costs, and entails some acute social problems. An intellectual case can be made for subsidising housing over other forms of demand: housing has a very long physical life, and a standard of new housing well beyond our current means does ensure that the stock will be reasonably adequate for future needs. However, there is nothing at all to be said for a subsidy which nobody planned, and which is very difficult to measure at all accurately.

If one takes Blue Book figures for the value of occupancy, in official figures for the scale of direct public subsidy, it is probable that we devote 2.3 per cent of GDP to subsidising housing demand. In other words, the cost of largely unplanned housing subsidies is about half the peak benefit from North Sea



Mr. Freeson (left) and Mr. Shore together at the Labour Party Conference at Brighton last October.

oil. To put it another way, income tax could be cut by about a fifth if housing were not favoured over other forms of demand. At the same time the absurdities of rent regulation mean that the rather excessive housing stock we have provided in relation to income still leaves a fringe of the population subject to extreme housing stress, and that a rather smaller proportion of the housing stock is left to decay.

Apart from involving large expenditure on what is, in effect, a largely useless social service in which benefit seems to be in inverse proportion to need, our housing policy also hampers the working of the industrial and financial systems. The worst results are in depressed areas, where houses

are very difficult to sell.

Between the wars, whole populations moved from depressed areas to growing centres. Housing policy is quite largely responsible for what we now know as the regional problem, with its attendant costs, and for labour shortages when unemployment is high.

Meanwhile, the financial system has also been distorted. The diversion of vast funds to housing finance, so that the building societies are now collectively larger than the clear-

ing banks, means that the cost of funds for other purposes is higher than it would otherwise be. The political obsession with mortgage interest rates has inhibited the Government in responding to financial market pressures, and so has helped to cause the succession of finan-

cial and exchange rate crises (if which have undermined financial and industrial confidence. We seem in fact to be living through exactly such an episode at present. A reluctant and tardy response to a need for higher rates not only weakens the exchange rate and tends to create problems of monetary control, but normally results in the end in a much bigger rise of rates than would have been necessary with a prompt response. The end result is had even for housing finance, as is now becoming evident.

Now it is not difficult to suggest housing policies more rational than the ones we have: almost anyone can do it, and a large number have published their ideas. The more difficult problem is that of the Irishman—how to get there from here. It is because almost any change which can be proposed will offend some entrenched interest or other that we have become petrified in absurdity, and it is mainly for fear of giving offence that Mr. Shore stifles discussion.

As far as the general principles are concerned, an excellent summary has just been published as a discussion paper by three public servants—two from the local authorities, one from the Treasury. The central points they make are first that the scale of total housing subsidy should be explicit and rational (and harnessed to an appropriate land use policy); and that this subsidy should be available neutrally between the three forms of occupancy—ownership (with tax-free benefit), public sector housing (explicitly subsidised), and private tenancy (where only poverty-stricken tenants get support). "Economic

rents and ownership taxes (if any) should be based on current values. Subsidies should go to people, not houses.

These well-known principles are quite widely accepted, and have been apparent in some of the proposals which have been floated and smothered while Mr. Shore has been in office. Distortions in council rents and subsidies, various people have suggested, should be eliminated by rents based on replacement cost, on current value, on national pooling of costs, or should be indexed to wages (and if rents were indexed, I cannot resist adding, subsidies could be largely eliminated by indexing finance as well). Equity between owners and tenants—the essential if a market system is to work without hardship, scandal and misallocation—could be achieved by a tax on imputed rent (levied by the Treasury but not the DoE) or by tax relief or cash grants for tenants (thruated by some DoE officials, but effectively rejected out of hand by the Treasury). Mortgage reforms, which could reduce distortions and protect depositors, abound in theory.

As for the disastrous 1974 rent controls, some DoE officials want to create trial areas of total decontrol; privately not even Mr. Shore sees any reason to maintain 1957 controls (average rent about £1.20) on some 350,000 of today's and tomorrow's slums. In other words, everything is ready for radical change except the Minister.

Anthony Harris

## Negotiation rights

From the Chairman, Advisory, Conciliation and Arbitration Service.

Sir—A number of your correspondents seem to think that Britain should have more unions or that additional unions should be introduced in industries where collective bargaining arrangements already exist.

The criticism is usually from the other direction. Why, it has been repeatedly asked, are there so many competing unions in Britain? In reply it has been possible to point to the progress which has been made, with the support of the TUC and employers, to encourage amalgamations, eliminate demarcation problems and to develop and uphold the disputes procedure of the TUC. I believe that this should continue and that it would be wrong for ACAS now to encourage fragmentation of representation where collective bargaining arrangements already exist.

The Confederation of Shipbuilding and Engineering Unions made it very clear to ACAS that they are totally opposed to the efforts of EMA to gain national negotiating rights in shipbuilding. Collective bargaining arrangements already exist at all levels through CSEU unions.

EMA has inherited from SALMA some local recent agreements in shipbuilding. It is, therefore, as I understand it, legally entitled to be consulted on the corporate plan and on the negotiating arrangements. It has no automatic entitlement to national negotiating rights.

It seems to me to be common sense that British shipbuilders should want to talk to all unions about these matters. This is a different role from that of ACAS. The question that was central to our inquiry concerned the claim of EMA for national negotiating rights. J. E. Mortimer, Cleland House, Page Street, SW1.

## Politics and justice

From the Chairman, British Legal Association.

Sir—"Justinian" always writes interestingly and often instructively. It is therefore the more to be regretted that his articles are at times, as on May 15, obscured by the locally inspired notion that issues touching upon industrial relations can only, or best, be handled by tribunals with a majority of laymen. It is true that the right to a fair trial is a single judge. Nothing could be further from the truth. That "Justinian" is sincere in his view one cannot doubt but that does not add weight to his pronouncements.

For many, many years county courts have been handling with conspicuous success the problems affecting thousands of ordinary working people. Because they are given a fair hearing where they may put or have put, their side of the case, the parties to disputes in these courts have, almost without exception, left the court content to accept the judgment, win or lose. Such courts would have made, and should still make, an admirable tribunal for the hearing of most industrial disputes which occur. The remainder should be dealt with in the High Court. The attempt to copy the "People's Courts" of a totalitarian regime alien to our way of life, with a barely concealed attempt to deprive the parties of the right to be represented by solicitors (unless they belong to an employer's association or are represented by a "lay advocate") is for this reason that marks of injustice on a scale

which politicians of all political complexions regularly complain about.

The object of politicians in relegating industrial disputes to industrial tribunals (although "Justinian" seems not to have recognised it) is in order to further the corporate state and to provide an excuse for denying to those who need it, in a corporate/collectivist/totalitarian state you do not need solicitors in courts, nor indeed soon will you need judges, because the theory is that the benevolent state is, by definition, fair to all and its judgments beyond question. Wake up, "Justinian" whilst there is still some of the life blood of justice and equity in your lawyer's veins.

S. P. Best, 29 Church Road, Tunbridge Wells, Kent.

## Tax relief on productivity

From Mr. Alan G. Thompson.

Sir—Some productivity schemes are, as Mr. Cole says (May 15) bogus and are designed merely to overcome wage restrictions. Others, of course, are not. There is no reason why a productivity scheme and added-value schemes in particular cannot be entirely genuine and measurable on a cost per unit basis, their rewards, if any, being paid very soon after the end of such cost periods.

No auditor currently employed by a company would have any difficulty in establishing the truth of the position at the end of a cost period—that is, the rise or otherwise of productivity or the rewards or penalties attaching—nor would he have any difficulty in demonstrating the position to the Inland Revenue. Whether gains should rank for tax relief is another question altogether and many would say that perhaps it might be better to lower tax overall; but that any suggestion of tax remission is making life too difficult or complicated is yet another excuse for inaction or rather for continuing to treat people other than as people and so demean them still further.

This brings me to the true value of properly organised, maintained and audited productivity schemes, which is that it involves constant discussion between Board and bench on the common interest and factors which unite them rather than the party—or internal, political factors which separate them. Money and other material awards are, and will remain, an important result, but the ability to talk together and to keep on talking together is the greater. Indeed, when the jaw-jaw stops, the war begins. Did not someone once say that jaw-jaw was preferable to gun-jaw?

Alan G. Thompson, 15, Dover Street, W.1.

## Job and wealth creation

From Mr. Richard Tudway.

Sir—Arthur Tait's comment on job creation myths and industrial efficiency (May 15) points out the central contradiction in up the policy today of expecting industry to push for greater efficiency to remain competitive, and yet help out Government (and the unemployed) by creating "extra" jobs.

Job creation without wealth creation in business is a contradiction. Job creation through public projects supported by public funds has the same fundamental drawback. In neither case does it lead to viable wealth-creating employment.

It is for this reason that emphasis must switch to creat-

## Letters to the Editor

ing new employment through industrial regeneration in particular through small "job intensive" companies.

A large industrial concerns have a vital role to play in this process by providing finance, know-how and management expertise in getting sound commercial ideas off the ground which they for all sorts of reasons cannot and should not try to develop. So much could be done to promote new wealth-creating employment by using the vast resources of the industrial giants in "spawning" new "spin-off" companies.

This is an area in which my company is currently working with large organisations on a wide range of projects. With one or two exceptions there is an appalling lack of imagination among British industrialists which is only equalled by the Civil Service and the unions.

High levels of unemployment, especially youth unemployment, are a problem in all the major OECD industrial countries. Some are facing up to these difficulties better than others, especially in the promotion of industrial regeneration through small companies. It is one of the highest public concerns, therefore, that the question be aired in your columns: "for how much longer must we wait for a bit of real imaginative action in this field in Britain?"

Richard Tudway, 520, Chessham House, 150, Regent Street, W1.

## Solicitors' fees

From Mr. Alan D. Roper.

Sir—Two weeks ago there were published the results of the survey of solicitors' incomes which was carried out on a comprehensive basis and commissioned jointly by The Law Society and The Royal Commission on Legal Services. These results did not surprise the legal profession but they were no doubt a very considerable surprise to the many critics of the legal profession who have so often accused solicitors of making fortunes out of the public in all aspects of their work. There has long been a substantial misconception on this point which has been perpetuated by the media and the press and it really is time that on behalf of the legal profession and in view of the truth revealed by the survey, the following points should be emphasised.

The median professional income of solicitors is substantially below that of doctors and dentists in private practice and professions, and yet what do we feature films to large audiences and paying little for them, is I think well known, I enclose an updated version of a table that I think I let you have before but last time you had it, it ended with 1973.

As to the British film production industry, true, we would like to see it bigger than it is but, nevertheless, it has produced a number of good films or a number of films that have taken good

system of charging by reference to complicated, illogical and archaic scales must be abolished and replaced by the fair and reasonable system which applies of your publication that its impact on our company was immediate and demands a response.

Our company is here at no small cost to develop American-style skateparks via the private sector. We know for a fact that skateboarding, as a sport and as an industry, is virtually 100 per cent dependent on the development of skateparks. Of the 50-odd skateparks in the UK, not one can be considered a valid skatepark according to American standards. And the kids know this. With nine speciality publications serving the skate-boards each month, the kids are well versed about the situation, particularly as "buy" such places as Skatecity only until something better comes along.

And of the skateparks that have folded, the question that should be asked is not "why?" but "why not?" What have the skateparks contributed to the skateboarder, the industry or the surrounding community? To our knowledge they never provided skateboarding classes, never taught safety first, never offered quality equipment for rent, never opened their "parks" for use by schools or the parks department—never promoted events for skateboarders or charities—in fact their lack of promotional and public relations expertise alone justified their collapse.

As for skatepark unit sales in the UK, U.S. manufacturers like Hobie, and G and S intend to export their best products and all are predicting their sales will double in 1978. And as long as kids skate the South Bank of London, skateboarding will stay alive until the recreational land developers and operators the likes of Coral Leisure, Trust Houses Forte, and Ladbrokes enter the market place.

F. E. Benoit, 64, Hamilton Terrace, NWS.

## The skateboard iceberg

From the Chairman, Skateboard Systems International.

Sir—Had Mr. Kransdorff's article, "An Industry skateboarding on Thin Ice," appeared

From the General Secretary, The Cinematograph Exhibitors' Association of Great Britain and Ireland.

Sir—I wonder if it would be possible in your column to say something about an observation that appeared in Mr. Dunkley's column on May 10, namely "and we should not forget 'Sweeney 3' Granada Television." The British film industry is alive and well and it's called television.

That television battens on the film industry by showing an enormous number of cinema feature films to large audiences and paying little for them, is I think well known, I enclose an updated version of a table that I think I let you have before but last time you had it, it ended with 1973.

As to the British film production industry, true, we would like to see it bigger than it is but, nevertheless, it has produced a number of good films or a number of films that have taken good

## GENERAL

Mr. Denis Healey, Chancellor of the Exchequer, addresses Inland Revenue Staff Federation conference, Scarborough.

Mrs. Margaret Thatcher, Opposition leader, speaks at Israel 50th anniversary dinner, Hampstead Garden Suburb Synagogue.

British National Oil Corporation annual report.

International Air Transport Association executive committee meets in Geneva to study interim report on proposals for changing method of fixing air fares and cargo rates, prior to its submission to special IATA meeting in Montreal on June 30.

PARLIAMENTARY BUSINESS  
House of Commons: Debate on

## Today's Events

Industrial relations in the news: paper industry. Bread Prices (Amendment No. 5) Order.

House of Lords: Orkney Islands Council Bill, third reading; Tynali Bill, committee. Debate on armed forces pay. Protection of Children Bill, committee. Debate on British nuclear deterrent.

Scottish Affairs: Unopposed Private Bill Committee on the British Railways (Selby) Bill (11 a.m. Room 9). Expenditure (General sub-committee). Subject: Estimates and Cash Limits. Witnesses: The Treasury (4.14 p.m. Room 8). Race Relations and Immigration. Subject: Effects of EEC membership on race relations 23.

COMPANY RESULTS  
Boots Company (full year), Royal Dutch/Shell (1st qtr.), Stenhouse Holdings (half-year).

COMPANY MEETINGS—See Page 23.

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# COMPANY NEWS + COMMENT

## GA up 11% to £11.9m. in first quarter

PRE-TAX profits of General Accident Fire and Life Assurance Corporation in the first quarter of this year amounted to £11.9m—an 11 per cent advance over the corresponding period last year, despite a £2.3m. increase in the world-wide underwriting deficiency to £8.9m.

Investment income rose by 19 per cent to £29.5m and long-term insurance profits contributed £0.7m. Premium income jumped by 15.9 per cent to £144m, the real rise, excluding currency fluctuations, being 13.9 per cent.

The UK underwriting loss, on premium income of £70m (£55m) was £7.0m (£3.5m), of which the motor account contributed £2m and the fire and homeowners accounts £5.5m. This latter figure included losses on weather claims on homeowners' business amounting to £3m, while the fire account showed a substantial increase over the corresponding quarter last year. The number of major fire losses also showed a disproportionate increase and reflected not only the weather claims but some impact from the firemen's strike.

In the U.S., net written premiums amounted to \$141.3m (\$127.7m) and the operating ratio was 100.84 per cent compared with 104.53 per cent. The automobile account produced a 200 profit, but there were losses in the liability and property accounts, the latter being substantially affected by severe weather claims. The aggregate underwriting loss amounted to £1.5m (£3.6m).

Elsewhere, business in Europe again produced substantial losses and there was a small loss in Canada. Good results were recorded for Australia, Brazil and International business.

Following the recommendation of a final dividend of 4.247p net for 1977 making the total 8.097p (7.513p) per 25p share, the directors intend to pay an additional 0.086p in respect of last year, subject to a reduction in the rate of ACT to 33 per cent.

First quarter 1978 profits, £11.9m, compared with £10.7m in 1977. The company, which has a "close" status, operates as a furniture manufacturer.

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February. The GA, because it has a higher proportion of personal business in the U.S., had its recovery checked by the severe weather. Its major business has come right, but it had offsetting losses on property and liability business. The indications for this year are that the group will break-even on underwriting and record a pre-tax profit of £8m. The shares closed at 21p where the yield is 5.7 per cent.

## Sturla on road to recovery

FOLLOWING A reduced pre-tax loss of £0.0m, compared with £42,000, at half time, finance company Sturla Holdings, formerly George Sturla and Sons, made further progress in the second six months of the year to January 1, 1978, to finish with total deficit cut from £719,000 to £97,900.

The directors are confident that they will be able to announce a return to profit at the interim stage this year, with a further strong improvement in results at the year-end, based on the development of the group's traditional consumer credit business.

In addition, the new financial services now being introduced will begin to make a worthwhile contribution to profits in the following year, they say.

## Stonehill picks up in second half

WITH A second half advance from £342,000 to £603,000 trimming the interim loss of £269,000 to £206,000 at full-time, Stonehill Holdings reports a pre-tax profit of £1.01m, for the year ended April 2, 1978.

In their interim statement, when reporting profits of £407,000 (£278,000), the directors said that trade had improved. And they now say, with the growth trend continuing, prospects for the current year are extremely encouraging. Trading so far is at a high level, with the order book greatly in excess of last year.

Profit for the year was struck on turnover of £12,000m (£12,86m) and was after depreciation of £182,000 (£217,000). Tax took £528,000 against £639,000. Earnings per 25p share are shown at 8.44p, compared with an adjusted 8.89p. As forecast, the final dividend is 3.75p net for an effectively maintained total of 8p.

The company, which has a "close" status, operates as a furniture manufacturer.

Stonehill's results look encouraging bearing in mind the state of the furniture market in 1977. The first six months saw profits tumble by 40 per cent, but sales started improving in the second half and by the final quarter they were relatively good. Second-half profits are ahead by 12 per cent, to cut the full year downturn to 16 per cent.

However, overall industry figures on manufacturers' deliveries still look weak with the first quarter down a tenth against the corresponding period in 1977. But retail volume is showing signs of consistent recovery and this is now working through to the furniture manufacturers in a much higher order intake. Outside projections indicate a good increase in furniture sales this

year so there could be a material recovery in 1978-79, which should give plenty of support to a yield of 0.9 per cent and p/e of 10.7 at 90p.

## Advance for J. N. Nichols

WITH A rise from £250,730 to £414,830 in the second half, taxable profit of J. N. Nichols (Vinto), mineral water manufacturer, expanded to £732,062 for the year to March 31, 1978, compared with £308,608 last time.

Turnover was higher at £5.65m (£4.4m) and after tax of £246,372 (£243,088), net profit advanced from £265,518 to £333,490.

Earnings are given as 26.77p (adjusted 13.28p) per 25p share. A final dividend of 2.75p makes the total payment 3.25p net on increased capital, compared with an adjusted 4.75p for the previous year plus an additional 1p for 1975-76 paid on the instructions of the Inland Revenue.

Dividends absorb £103,000 (£93,000) and £20,000 in respect of 1975-76.

Following a rise from £207,000 to £244,300 at midway, pre-tax profits of Blockleys, the facing brick making concern, finished 1977 ahead at £410,132, compared with £341,832 last time.

Turnover marginally declined from £2m to £1.95m and profit included interest receivable of £55,374 (£54,205). After tax of £208,991 (£193,300) and preference dividends stated earnings advanced from 10.48p to 15.15p per 20p share.

A second interim of 2.7807p (2.4835p) net is to be paid and in the event of a reduction in tax rate, the directors intend to pay a third interim of 0.0421p making the total for the year 3.8604p (£4.325p).

Dividends absorb £62,047 (£53,415) leaving profit retained up from £106,137 to £169,085.

**SUPRA—97.4%**  
Supra Group's rights issue of 1,030,167 ordinary shares of 10p each at 30p per share attracted acceptances in respect of 1,003,414 shares, representing 97.4 per cent of the issue.

The balance has been sold at 52p per share and the net proceeds, amounting to 21.43p, will be distributed pro rata to qualifying shareholders, except that no payment will be made for less than £1.

## ISSUE NEWS AND COMMENT

## CMT raising £1.5m through rights

Central Manufacturing and Trading, a company with a £11m cash first half figures with a £1m cash increase from shareholders by way of a deep discounted rights issue.

CMT is proposing to issue 7.5m ordinary 10p shares on the basis of two-for-five at 20p per share compared with a market price which closed 4p higher at 75p. The issue is not underwritten.

First half figures for the period ended January 31, 1978 show sales of £23.95m compared with £25.23m in 1977. Pre-tax profits a tenth lower at £1.38m.

The reduction in profits is primarily due to difficult trading conditions experienced by the steel stockholding and metal processing divisions.

Industrial services, the most profitable division in the group, traded at a record level with profits of £1.01m compared with £674,000. Demand for safety products and protective clothing were particularly strong.

There has been some improvement since the commencement of the second half in the market served by steel stockholding and metal processing, but at this stage it is difficult to forecast.

The group's trading position is mainly based on the level of UK industrial activity and at present there is little sign of any sustained upturn.

An interim dividend of 1.5p (1.31p) is declared. The directors are forecasting a final dividend of 1.5p making a total of 3p (2.663p).

Half-time figures from Central Manufacturing show that profits from its stockholding, metal processing and tubes divisions are down by a third, though an

improvement from the industrial side has held the fall in trading profits to 11 per cent. Not a particularly exciting background to a rights issue. The company's statement is phrased in terms which suggest that the second half will show a similar rate of decline so a minimum figure for full year profits is probably £2.5m (£3.95m), meanwhile the rights issue being made to finance capital expenditure and higher working capital requirements.

Capital expenditure will be around £21m while working capital requirements could be £21m up. Against this cash flow is likely to be a little above £3m. Though with borrowings of £7m against shareholders' funds of over £20m in the last accounts there is no obvious strain behind the cash call. The dividend increase takes the ex-rights yield up to 7.7 per cent at 75p.

## GREENFIELD MILLETS

Greenfield Millets, the retail and wholesale leisure group, is making a scrip issue to shareholders of preference shares and forecasting another record year in 1978.

The directors are recommending a capitalisation of £81,429 10p net cumulative preference 11 shares to holders registered May 12. This will be on the basis of one preference share for every 12 ordinary.

The directors state that the first half profit for the current year is expected to be similar to that of 1977 when trading was quite exceptional. They also state that they look forward to making record profits for the year as a whole. In 1977 profits amounted to £184,800.

An EGM is called for June 9.

## DIVIDENDS ANNOUNCED

Company	Current payment	Date	Corresponding div.	Total for year	Total last year
Cater Ryder	1.71	July 6	12.75	19.33	17.49
Central Mfrg.	1.3	July 4	1.31	2.68	2.68
City of Oxford Inv.	2.3	June 28	2.25	3.3	3
Dupont	2.67	June 22	2.42	4.49	4.06
Energy Services	0.2	—	0.1	0.3	0.1
Folkes (Helo)	0.57	—	0.88	1.37	1.34
Hartwell	0.75	July 3	0.68	1.37	1.34
Hartwell	2.83	July 31	2.97	4.39	3.85
Headlam Sims	0.73	—	1.12	1.23	1.12
London and Leamox	1.8	—	1.6	2.3	2.1
Ldn. Prudential Inv.	1.6	July 20	1.5	2.83	2.4
Unit Engineering	5.25	—	5.25	7	7
J. N. Nichols	2.73	—	3	3.25	2.475
Northern American	1	July 3	1	2	2.85
Pork Farms	17	May 31	5.06	23	8.26
Readcut Intl.	1.11	—	0.99	1.59	1.42
United Engineering	3.75	July 21	3.75	7.5	4
Whitbread	1.11	—	0.90	2.22	1.99
Whitbread	2.79	July 21	2.54	3.94	3.56

Dividends shown pence per share net except where otherwise stated. \*Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡Additional 1p paid in respect of previous year on instructions of Inland Revenue. §To comply with company's "close" status.

## GLEESON

### Civil Engineering & Building Contractors

The Directors of M. J. Gleeson (Contractors) Limited announce the following unaudited results of the Group for the half-year ended 31st December, 1977:—

	Half year ended 31st December, 1977	Half year ended 31st December, 1976
Turnover	£25m	£26m
Profit before taxation	£200's 679	£200's 686
Taxation	380	382
Profit after taxation	299	304

These figures are in line with the Board's expectations, but adverse circumstances affecting motorway contracts may make it difficult for the Group to declare as favourable results for the year ending 30th June, 1978, as for 1976/77.

The Directors have declared an interim dividend of £75,113 (0.75113p per share)—10% more than last year's figure of £68,365—which will be paid on 3rd July, 1978, to shareholders on the register at the close of business on 16th June, 1978.

Regarding future prospects, the Group's order book is very satisfactory. In all areas except Civil Engineering where the U.K. industry faces keener than ever competition resulting from the continuing work shortage.

The professional revaluation of the Group's properties at 30th June, 1978, is now in hand and should lead to a good increase in the book value of the assets.

## Pegged prices worry News International

THE DIRECTORS of News International are concerned that the price of the group's national newspapers, The Sun and the News of the World, are substantially below those of the competition, but this is entirely due to the action of the Price Commission, Mr. Rupert Murdoch, the chairman, tells members.

More than 30m. copies of these newspapers were lost during 1977 due to industrial action but on those occasions when printing was completed record sales were achieved, he says.

In the provinces, the Berrows Group produced a satisfactory increase in income from both circulation and advertising. The same trend of higher turnover has continued during the first part of 1978 but increased costs have so far held back profit improvement.

The New York Post is in the process of a reorganisation and is unlikely to be in profit during the current year though overall U.S. operations are expected to make a contribution.

Cover price increases by the Australian division should be reflected in the 1978 results. Last year's profit was down at £1.61m (£1.94m).

Affected by the continuing dispute in relation to its major contract, Eric Beattie showed a £470,000 loss for 1977. The company is now handling a far greater volume of work and should substantially improve its result this year but without settlement of the dispute no profit can be anticipated, says Mr. Murdoch.

Taxable profits for the year January 25, 1978, already reported totalled £4.34m (£4.81m) on turnover of £36.6m (£34.3m). Earnings, The Dorchester, W., as reported April 7.

Year end net liquidity was £18.35m (down from £19.02m) and future capital spending amounted to £1.08m (£1.76m) of which £430,000 (£1.17m) had been authorised but not contracted.

Meeting, Stationers Hall, EC, June 14, at noon.

## Long term confidence at CES

Expressing confidence in the long term future of Combine English Stores Group, Mr. Murr Gordon, chairman, says that the company entered the current year with added financial strength and substantial cash resources.

The group balance sheet January 25, 1978, shows a term bank deposits and cash amounted to £6.21m, an increase of £0.7m. The share capital and consolidated reserves totalled £15.69m, an advance of £2.15 over last year's figure adjusted for the accounting change regards deferred tax.

The directors are implementing their expansion plans for mainstream activities. As already announced, an offer has been made for the Kendal chain stores and further opportunity to expand both at home and overseas is being actively sought.

Taxable profits for the year January 25, 1978, already reported totalled £4.34m (£4.81m) on turnover of £36.6m (£34.3m). Earnings, The Dorchester, W., as reported April 7.

## Higgs and Hill Limited

	1975	1976	1977
Turnover	£000's 82,000	£000's 102,000	£000's 106,000
Profit Pre-Tax	2,180	2,275	3,130
Profit after Tax	1,046	1,117	1,535

Extracts from the 1977 Statement by the Chairman — Mr. E. W. Phillips MBE

Our Group profit for 1977, before taxation, was £3,130,000 on a turnover of £106 million. This represents a 37.5% profit improvement on 1976, after allowing for the doubtful debt provision which we had to make in the previous year. I consider this to be a creditable performance bearing in mind particularly the recession in U.K. construction activity which prevailed throughout the period. Directors are again recommending the maximum dividend permitted making a total Ordinary dividend for the year of 3.4525p per share, compared with 3.0734p for 1976.

Our Building Division remains responsible for the major part of Group turnover and profit. Performance exceeded forecast, despite the continuing depressed state of the U.K. market. Our increased marketing efforts have been directed at achieving a satisfactory share of the reduced work available. We are continuing to maintain a policy of avoiding contracts at uneconomic margins and as a result the intake of new orders in the current year has been disappointing and there will be an unavoidable reduction in turnover.

In civil engineering we have succeeded in diversifying from roadwork contracts and are now engaged in railway bridges, waterworks, refuse disposal, flood prevention and power station works.

Our policy of expanding overseas is proceeding satisfactorily. In Bahrain the construction of a coastguard station is well advanced and our associated company has successfully completed the fitting-out of the Citibank premises in Jeddah. We have only recently finalised a contract for a city-centre development in Cairo in excess of £35 million on a management fee basis.

Our property portfolio is making an assured and increasing contribution to profits and we have a number of new projects under negotiation. In France we have finished the fourth phase of our housing development near Paris, and on our industrial project at Nice two more phases are now under construction for letting in 1978 and 1979.

Our house-building operations had a successful year. These are being expanded and we are hoping for an increasing profit contribution.

In the long term the Company's prospects are sound. However, the current year will be far from easy and I think it would be unwise to make a specific forecast in view of the many imponderables which could affect it, although I will say that we are not unduly pessimistic about the likely outcome.

## HIGGS AND HILL

Building, Civil Engineering and Property Group  
Crown House, Kingston Road, New Malden, Surrey

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deal with the waste produced every day by a city the size of Birmingham.

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ged prices  
International

## Bedding and furniture loss hits Duport

MAINLY REFLECTING a severe setback in the domestic products division, where losses of £2.3m were incurred, group net profits of Duport fell from £11.4m to £8.0m in the year ended January 31, 1978.

When reporting first-half profits ahead from £4.6m to £4.75m, the directors warned that the second-half result was unlikely to exceed this level.

Mr. Eric Savers, chairman, says that the immediate prospects are not good due to depressed levels of demand in all sectors of the group and it is likely that results for the first half of the current year will fall well short of those of the corresponding period of 1977.

However, the vigorous steps being taken will put the group in a good position to take full advantage of the trade upturn when it comes.

Rewards will begin to appear from the massive investment in South Wales where, after a long gestation period, the plant has made an encouraging start. In addition the long months of preparation to correct the situation within the bedding companies is now being reflected in positive action.

Results are therefore expected to improve in the second half of 1978/79 and the chairman looks to the longer-term future with confidence.

Referring to the bedding and furniture operations, Mr. Savers explains that a highly competitive market exposed vulnerabilities in this sector following a major reorganisation. It was reported at half way that time would be required to restore the competitive position of these operations which lost ground during the recession of the past two years.

After reviewing the product range and marketing activities it was concluded that the manufacturing requirements can be met from reduced production facilities which will incur substantial redundancies. The chairman is confident that this rationalisation will provide a base for profitable trading. He feels that the rate of loss will be progressively reduced during the remainder of 1978/79 with the possibility of profitable operation being restored by the end of the year.

During the year profits of the steel and engineering sectors fell by 10 per cent. The chairman explains that the world demand for steel affected the operations

and margins of the steel companies; the engineering companies showed more satisfactory levels of demand but their operations were disrupted by industrial disputes.

After tax (calculated in accordance with ED 19) the year's net profit came through at £6.55m, against £8.02m. Basic earnings per share are shown to be down from 24.15p to 18.91p to 13.17p.

The dividend is raised by the maximum permitted — from 4.00p to 4.49415p with a final of 2.67115p.

1977-78 1976-77

Turnover	155,367	152,414
Operating profit	10,588	13,106
Finance income	4,333	4,292
Domestic products	38,500	45,500
General	8,556	2,494
Less inter-group	945	1,118
Trading profit	7,330	3,241
Steel	1,533	1,533
Engineering	1,790	1,790
Domestic products	1,007	1,007
General	880	285
Less inter-group	1,007	1,007
Associates	1,007	1,007
Profit before tax	10,588	13,106
Taxation	2,534	2,534
Net profit	8,054	10,572
Dividends	1,007	1,007
Retained	7,047	9,565

\* Turnover trading profit includes £1,585,000 and £2,700,000 respectively for the year ended January 31, 1978 and 1977.

During the year shareholders' funds increased by £18.52m of which £12.74m was released from deferred tax following a major reorganisation. It was reported at half way that time would be required to restore the competitive position of these operations which lost ground during the recession of the past two years.

The group has invested £13.36m in plant and equipment, of which £9.41m was spent on the new steelmaking plant in South Wales and a further £1.90m has been invested in working capital.

Borrowing increased by £2.19m during the year, mainly as a result of drawing the full amount of the £5m term loan from Midland Bank. Nevertheless, the group's borrowings of £18.24m represent no more than 28 1/2 per cent of shareholders' funds.

Regarding the new steelmaking plant in South Wales the first phase, comprising one electric arc furnace, is complete and began operations early in April. The second phase which comprises a steel converter and a continuous casting machine is well advanced and is due to be completed by the end of this year.

Since the end of the year the group has been forced to reduce its holding in Vono Products Nigeria from 27 per cent to 18 per cent. Sale proceeds amounted to £262,000 and it is anticipated that this will be remitted this year. In future this company's results will not be consolidated in the group accounts.

See Lex

## Gleeson warns of shortfall

ANNOUNCING taxable earnings for the half year to December 31, 1977, marginally down at £679,000, the directors of Gleeson (Contractors) warn that the group may be unable to declare as favourable results for the full year. Total profit for 1977/78 was £1.43m.

The company's order book is very satisfactory in all areas except civil engineering where the U.K. industry faces keener than ever competition resulting from the continuing work shortage, they say.

Turnover for the first half fell £1m to £25m, and tax took £350,000 (£382,000).

The net interim dividend is 0.75115p (0.6825p) per 10p share. Last year's final was 1.1575p.

A professional revaluation of the group's properties as at June 30, 1978, is in hand and should lead to a good increase in the book value of assets, the directors state.

## Record for Headlam Sims & Coggins

Subject to tax of £61,362, compared with £39,586 profit of Headlam Sims and Coggins jumped from £213,414 to a peak of £319,882 in the January 31, 1978 year.

At half-time, profit of the shoe manufacturing group was £300,000 compared with £260,000 in the year 1977/78.

During the year a £150,323 surplus arose on the revaluation of property. The dividend is lifted to 1.2286p (1.1117p) 5p share with a 0.7206p final payment.

AFTER AN unchanged position at half-time, profits of Whitbread Co. improved from £16.08m to £18.29m in the second six months taking the total up from £41.89m to £43.53m for the year ended February 25, 1978.

Comparisons of profits, before adjustments for foreign exchange, show a second half increase of 18.5 per cent following a first half decline of 10.8 per cent.

When reporting on the first half figure in November the directors explained that trading was affected by industrial problems and the poor summer. They noted second half prospects being mixed and looked to 1978/79 for a better trading year.

The directors now say that while the weather has not been too helpful since the start of the current year, the volume recovery which occurred throughout the second half of 1977/78 continues. Given a reasonable summer they are confident that the group's wide range of national brands and local draught beers will enable further progress to be made in the current year.

This confidence in the future, the directors say, is demonstrated by the continued level of investment—some £50m, in 1977/78 with higher sums planned for 1978/79 and the following year.

1977-78 1976-77

Turnover	573,389	518,472
Trading profit	17,448	16,584
Depreciation	12,587	12,587
Bank and loan interest	12,254	12,254
Foreign exchange gains	90	1,157
Profit before tax	40,389	42,682
Taxation	6,794	10,421
Net profit	33,595	32,261
Dividends	25	25
Retained	33,570	32,236

Providing for a reduced tax charge on the basis of ED19, and taking account of extraordinary credits of £1.58m (£204,000 debit) and minority interests, the balance comes through ahead at £37,871m, against £30,061m. This gives basic earnings per 25p share up from 13.75p to 16.13p.

Fully diluted they show an increase from 12.67p to 14.76p or from 7.94p to 9.87p on the old accounting basis.

The dividend is increased by the maximum permitted—from 3.5444p to 3.9355p with a final of 2.7886p net. The benefit of any 1977/78 dividend is £1.1117p per share with a reduction in the basic tax rate

## BOARD MEETINGS

The following companies have notified date of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends are expected or whether they are based mainly on last year's results.

TODAY  
Bentley, Anglo Siam, Boots, Buxton and Lamb, Dutton, Fawcett, Amos, Hulton, Industrial and General Trust, Perceps, Birmingham, Pyramid (Publishers), Sphero Investment Trust, Whitbread Investment, Wilson Investment.

FUTURE DATES  
May 19  
May 20  
May 21  
May 22  
May 23  
May 24  
May 25  
May 26  
May 27  
May 28  
May 29  
May 30  
May 31

will be added to the interim for 1978/79.

The directors report that the reduced first half volume was substantially made up in the second by an encouraging demand for Whitbread Trophy Bitter, Heineken and Stella Lager, Gold Label, English Ale and again by the exceptional performance of

Wine and spirits performed well particularly the Lancashire German wines and Corrida. Long John whisky continues to grow in popularity and achieved higher profits with increased sales to the UK and overseas markets.

The soft drinks operation had a rather mixed year. The poor summer checked the growth of profits with increased sales to the UK and overseas markets.

Mr. Norman Macfarlane, chairman, said the annual meeting. The trend was continuing, and the directors were confident that the first half figure would exceed £500,000. This would compare with £304,000 in the first half of 1977.

See Lex

Macfarlane

First quarter profits of Macfarlane Group (Clansman) had doubled to £245,000 based on un-audited management accounts.

Mr. Norman Macfarlane, chairman, said the annual meeting. The trend was continuing, and the directors were confident that the first half figure would exceed £500,000. This would compare with £304,000 in the first half of 1977.

See Lex

Macfarlane

## Woolworth profit dips in first quarter

ON TURNOVER ahead from management fee basis, Woolworth's profit of £1.7m, Woolworth and Co. dipped from £3.78m to £3.53m in the April 30, 1978 quarter.

Directors say the 3.3 per cent turnover rise reflects a slowdown in the growth of consumer spending in the pre-Budget period, and that as foreseen in the chairman's annual statement, trading profit has been affected by increased pressure on margins, and in April 19.

But directors say the first quarter is the least meaningful for profit and the result to date does not alter their earlier projections of an increase for the full year. Last year profit totalled £46.78m and dividends 4.175p net per 25p share.

1977-78 1976-77

Turnover	177,128	164,141
Trading profit	7,823	6,882
Depreciation	1,867	1,867
Investments	597	1,363
Profit before tax	9,287	10,112
Tax	3,462	3,210
Net profit	5,825	6,902
Dividends	2,499	2,554
Retained	3,326	4,348

Directors say the reduced interest charge reflects lower borrowing rates in the period.

See Lex

Higgs & Hill looks to longer term

THE CURRENT year will be far from easy for Higgs & Hill, building and civil engineering contractor, but the directors are not unduly pessimistic about the likely outcome and the long term prospects are sound, Mr. E. W. Phillips, the chairman, says in his annual statement.

As a result of maintaining a policy of avoiding contracts at uneconomic margins in the building division, the intake of orders in 1978 has been disappointing and there will be an unavoidable fall in turnover, he explains.

Expansion overseas is proceeding satisfactorily. In Bahrain construction of a coastguard station is well advanced and recently a contract has been finalised for a city centre development

## Utd. Engrg. soars in second half

MORE THAN doubled taxable earnings from £204,231 to £319,100 were attained by United Engineering Industries in the second half of the year to January 31, 1978, lifting the full time total from £379,231 to a record £1,008,101. Turnover was better at £5.58m, against £4.17m.

In October the directors said that in view of the satisfactory level of trading and improvement in liquidity they hoped to raise the total dividend payment by the maximum permitted. This they now propose with a final of 1.1106p net which takes the total to 2.2212p (1.9888p) per 10p share. The company has close status.

After tax of £432,028 (£136,647) earnings per share are stated at 8.1p (4.8p). Extraordinary debits took £48,233 (£27,778) leaving attributable profit at £524,840 (£244,860).

Treatment of deferred tax was in accordance with ED19 and comparatives have been adjusted.

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## Alex Lawrie Factors up to £0.46m

Pre-tax profit at Alex Lawrie Factors, climbed from £337,733 to £425,508 in the March 31, 1978, six months. Tax taken: £242,500, against £183,000 last time.

Directors say factored turnover rose 28.1 per cent and that they are pleased with the contribution the company is making in re-lending industries in the second half of the year to January 31, 1978, lifting the full time total from £379,231 to a record £1,008,101. Turnover was better at £5.58m, against £4.17m.

In October the directors said that in view of the satisfactory level of trading and improvement in liquidity they hoped to raise the total dividend payment by the maximum permitted. This they now propose with a final of 1.1106p net which takes the total to 2.2212p (1.9888p) per 10p share. The company has close status.

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## MONEY MARKET

### Two-tier trading

Bank of England Minimum Lending Rate 9 per cent (since May 12, 1978)

The third Wednesday in the month produced the usual chaotic trading in the London money market yesterday. As the day on which figures were taken for publication in the monthly banking statistics, banks were running the correct ratio of reserve assets, and at the same time sought to increase their monetary base on fears of the possible re-imposition of "corset" controls by the authorities.

This created the customary two-tier market, with discount houses paying as little as 2 per cent for call money (which counts as a

reserve asset) while overnight rates in the interbank market touched 25-30 per cent in places.

Treasury bills, which were in great demand on Tuesday as part of the same situation concerning reserve assets, lost some of their appeal yesterday, easing to 10 per cent.

This tends to confirm Bank of England Minimum Lending Rate at its present level of 9 per cent.

Although money was freely available at very low levels to the discount houses during the day, conditions were tight towards the close, with tightness paying up to 8 per cent in places, with most late balances found within the region of 7 per cent.

Interbank overnight rates fell to 7-8 per cent in the afternoon, but closed at 10-15 per cent in the evening.

Some houses experienced a difficult finish, but money was generally in good supply yesterday, and the authorities absorbed surplus funds by selling a small amount of Treasury bills to the houses.

Banks brought forward run-down balances, the authorities held maturing local authority bills, and settlement was made of gilt edged stock sold by the authorities. On the other hand the houses held maturing Treasury bills, there was a slight excess of Government disbursements over revenue payments to the Exchequer, and the market was also helped by a slight fall in the note circulation.

May 17 1978
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## SHARNA WARE LTD.

The 13th Annual General Meeting of Sharna Ware Limited was held on May 17 in Manchester. The following is the circulated statement of the Chairman and Joint Managing Director, Mr. Sydney Orchard:

It gives me pleasure to report on your Company's Accounts for the year ended 31st December 1977 which again show a record year. The pre-tax profits in 1977 were £700,578 against the 1976 pre-tax profits of £507,046 an increase of 38.23% with all companies trading profitably.

Turnover has increased in all the subsidiaries of the Group. Manufacturing sales increased from £3,228,735 to £3,534,612 and the Wholesale division rose from £7,554,390 to £9,456,664.

The Group cash flow position continues to be strong with yet another increase in the net liquid balances at the year end.

We are continuously seeking to acquire companies which would expand our present activities and at the same time we are planning to develop new products and modernise our manufacturing plant.

A final dividend of 1.4058p per share is recommended which is the maximum permitted, but the Chairman and two Joint Managing Directors have waived the final dividend on the shares held by them beneficially.

My confidence in the Group has been fully justified and I again anticipate another record year for 1978.

Once again I express my gratitude to the Management and all employees for their efforts and loyalty during the year.

## Taylor Woodrow outlook

**FUTURE PROSPECTS** in certain Middle East countries look less promising and competition is becoming keener, Taylor Woodrow directors say in their report with accounts.

Mr. R. G. Puttick, the chairman, says that although the group still has a considerable amount of work in hand in the Middle East, the total market is reducing in volume and that increasing competition may erode profit margins in future years.

The group is continuing to search for profitable work, and it is maintaining a vigorous marketing activity in areas of the world which exhibit potential for future construction activity.

Of total pre-tax profits of £22.42m and turnover of £922m in 1977, overseas operations contributed profits of £11.86m on turnover of £166m, with the Middle East contribution at £6.1m and £81m.

Mr. Puttick also points out that there is a shortage of new construction work in the UK and says the outlook does not suggest any considerable improvement in the near future.

Directors say Taylor Woodrow Construction has a 200d workload to manage, but that an improvement in the UK economy would bring increased opportunities.

At the December 31, 1977 balance date fixed assets were £82.71m (£52.81m), and net current assets were down from £35.63m to £22.16m.

Auditors Mann Judd and Co. have again qualified the accounts, saying that without a professional valuation of properties it is not possible to substantiate by audit procedures the values of properties at balance date.

The directors say they have reviewed the £117.08m portfolio and do not consider it appropriate to make any adjustments in the accounts, bearing in mind that the properties are held as long-term investments. The properties are at December 31, 1973 valuations.

## Energy Services expands

**AFTER TRADING** exchange losses of £70,000, Energy Services and Electronics expanded taxable profit by £282,000 to a record £363,000 for 1977. Sales by the group, which makes electric and electronic components, were ahead from £5.4m to £7.08m.

The directors at half-time, when the surplus was up to £461,000 (£244,000), said they expected the level of turnover and profitability to be maintained or improved in the second half.

They now say that profits so far this year continue to show improvement which should be sustained throughout the year, subject to exchange fluctuations which may be material because of the high overseas content of sales.

To date in 1978 the fluctuations have been favourable. To meet additional working capital requirements which will arise from both expansion and inflation, a long-term loan of £250,000 has been obtained from ICF. Existing bank overdraft facilities remain unchanged.

In line with their intention to restore a more normal dividend policy after the return to the dividend list with the 0.1p net final for the previous year, the final for 1977 of 0.2p takes the total to 0.3p per 10p share. The total for 1977, following which payments were suspended, was 0.3635p.

Earnings per share for the year are shown at 1.5p (0.95p). The disposal since year-end of Path Engineering, which showed trading losses in 1977, will make £130,000 of cash available to expand the on-going business.

Sales: 1977 1976  
1977 1976  
Trading profit 329 313  
Exchange loss 17 70  
Pre-tax profit 346 383  
Tax 162 140  
Net profit 184 243  
Dividends 24 22  
Extraordinary dividends 84 29  
At a share of 10p 111 111  
Gain. Retained to shareholders which has covered trade or have been sold since year-end.

## Pork Farms Record £2m. by Hartwells

**PRE-TAX** profits of Hartwells Group jumped by 71 per cent from £1,232,000 to a record £2,106,000 for the year to February 28, 1978, on sales excluding VAT and capital tax, of £54,410, against £32,895m.

In November, when reporting first half profit up from £470,000 to £900,624, the directors said they were confident that the full year figures would be well in excess of 1977-78.

They now report that in the first two months of the current year the group has made good progress compared with the same period last year.

Although the directors say it is too early to make any forecast in respect of the current year, the encouraging start enables them to view the future with confidence.

A dividend of 1.5p and trading profit of £1,000,000; motor vehicle distribution £56,749 (£41,700) and £1,821 (£1,194), agricultural, tractor and implement distribution £3,877 (£3,141) and £232 (£168) and bulk and distribution £24,018 (£18,149) and £392 (£206) respectively.

Stated yearly earnings improved from a revised 20.1p to 34.8p per 25p share, while a final dividend of 2.5p (2.5p) will take the total payment to 4.32p (3.77p) net.

Full year profit was struck after interest of £339,000 (£334,000) and in accordance with ED19 tax took £290,000 (£183,000). After extraordinary credits of £104,000 (£16,000) profit retained emerged ahead from £372,000 to £1,696,000.

**NO PROBE**  
Mr. Roy Hattersley, Secretary of State for Prices and Consumer Protection, has decided not to refer the merger between Benetton, a London-based clothing company, and the Monopoles and Merzlers Commission.

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**London Trust expands to £3.1m**  
With gross revenue ahead £4,200,335 against £3,872,54 London Trust Company expands its pre-tax figure from £2,458.6 to £3,993,923 for the year to March 31, 1978.

Tax took £1,189,292 (£846,040) leaving earnings per 25p deferred share at 8.44p (7.66p) basic and 8.33p (7.38p) fully diluted.

A final dividend of 3.35p (3.35p) will take the total from 11.78p to 15.13p (14.73p). A one-for-one scrip issue of 10 deferred shares is also proposed.

Net asset value per share shown at 24p (20p) basic and 32p (19p) fully diluted.

**LASMO costs rise**  
RECAUSE OF delays in the commencement of production at the Ninian oil and gas field, London and Scottish Marine Oil Company is holding discussions with its bankers aimed at increasing the amount available to it under the £30m syndicated unsecured term loan arranged last year.

The loan was led by Williams and Glyn's Bank, and last year LASMO drew down £5.4m of the facility.

Accounts show that authorised spending on development of the field at December 31, 1977 was £67.42m representing LASMO's 9 per cent Ninian interest. Of the total £23.1m had been contracted for at the balance date.

Mr. G. F. B. Grant, the chairman, says in his annual statement that the group's total assets now stands some 13 per cent higher than a year ago as costs of completing the field have increased.

Areas of increase have been the central platform, the cost of offshore installation of the platform, the manpower required for the offshore hook-up completion work and the Sullom Voe Terminal.

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# Unilever and the Third World food problem

Extracts from the speech by Sir David Orr, Chairman of Unilever Limited, at the Annual General Meeting on Wednesday, 17th May, 1978.

A few years ago a Food and Agricultural Organisation survey reported that there were over 450 million undernourished people in the world, of whom more than 90 per cent lived in the developing countries. An estimate from the World Bank has suggested that the total could be double this number - perhaps as many as one billion people who do not get enough to eat. Such massive figures indicate the dimensions of what is loosely described as the world food problem - or more accurately the Third World food problem.

Well over half Unilever's worldwide turnover comes from food and agriculture. And one sixth of the company's tangible assets are in Third World Countries, some 25 per cent being concerned with agriculture and food.

## The Third World Food Problem

During recent years the food problems of the developing countries have become better understood and have gained increasing attention from governments and other organisations throughout the world. The production of food by Third World nations as a whole during the past 25 years has actually grown at a faster rate than that of the developed nations - but only a little faster than their population growth.

The future offers no grounds for confidence that the problem will diminish.

## What needs to be done

While direct food aid has a valuable role to play, it is now generally accepted that in the long term the basic needs of developing countries will be met only if they can produce more of their own food, or produce items for export in exchange for food they cannot produce themselves.

An objective of this magnitude demands increasing emphasis on agriculture in the development plans of Third World nations. Most of them are already making progress in this direction; but they will need a lot of help. I would like to consider those specific areas where I believe that Unilever has relevant experience and know-how.

## What can be done

Agricultural production can be improved by bringing new land into cultivation; by improving land already under cultivation through irrigation; or by increasing crop yields. However, the large scale transfer of such land to cultivation would involve an enormous investment in infrastructural projects. The base for increased food production, therefore, must be higher crop yields per hectare.

The relatively modest achievements of the 'Green Revolution' in most of the Third World emphasise that the performance of such crop varieties is dependent on suitability to a particular environment and on the application of the right husbandry methods.

Unilever has extensive experience in the development of this kind of technology 'package' in a variety of Western countries. The same basic expertise should be transferable to other crops and other countries.

Much can still be done through classical methods of plant breeding; but certain newer techniques already show some promise of strengthening and extending these methods. The most developed of these is plant cell culture.

Another area in which we are becoming involved concerns the possibilities of even more powerful techniques for improving and speeding up

plant breeding by re-designing genetic structure. The potential applications are exciting and varied, though it would be premature to attempt to appraise their practicability.

Post-harvest losses of agricultural production in most developing countries have been estimated at levels ranging between 20 per cent and 40 per cent; any reduction of these losses would represent a gain in agricultural productivity. Some of the food processing technologies such as dehydration and vegetable oil processing in which Unilever has widespread experience, can make a valuable contribution to the preservation of food materials.

Another topic related to waste reduction is the use of agricultural waste materials for livestock feeding. We have been developing processes for upgrading fibrous waste materials, like straw, for cattle feed, and for extracting protein from grass and other green crops to make it available for inclusion in pig and poultry diets.

## Technology Transfer

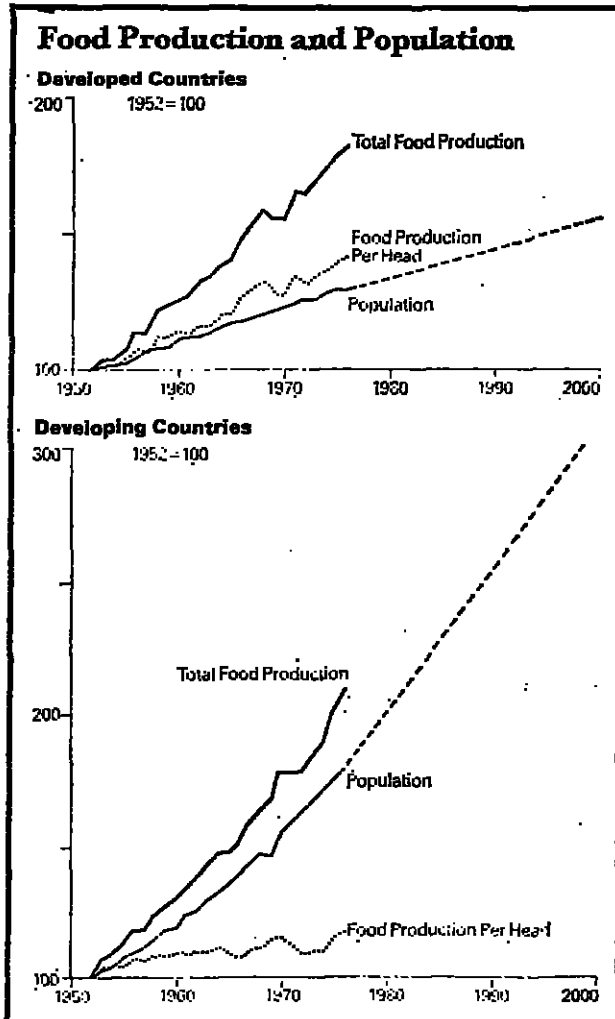
If the small farmers of the developing world are to achieve a significant increase in the productivity of their land, they need the incentive of a reasonable price for their produce and ready availability of low-priced consumer goods on which to spend their income. They need an adequate distribution and marketing system. They need farming inputs, such as seeds, agricultural chemicals and fertilizers, and technical advice on the right way to use them; and the technology has to be tailored to the local conditions of each country and each environment. This is where a multinational business with relevant skills and experience has much to offer.

## The Chances of Success

Developing countries must double their cereal productions by the year 2000 if their forecast populations are to be adequately fed. Technically this objective is probably feasible; but its achievement will demand the employment of a wide range of resources, new technologies, as well as whole-hearted commitment by governments, by international organisations and by industry.

Too much emphasis is currently laid on the influence and power of multinational businesses while their actual and potential contribution to economic development is all too frequently overlooked.

**Food production commands a high place among the economic and social priorities of most developing countries in which Unilever operates. We are ready to respond to those priorities, and to work with the governments of those countries or with other local partners to bring them to fruition. We must look to the governments to play their part by establishing and maintaining a political and economic environment which will make it commercially sensible for us to devote our resources to such activities. Each of us must have confidence in the motives and objectives of the other; if so, I am convinced that we can work together towards the increase of prosperity and the reduction of malnutrition in the countries of the developing world.**



## Annual General Meeting

The Report and Accounts for 1977 were adopted.

A final dividend for the year ended 31st December, 1977 of 12.10 pence per 25p ordinary share of Unilever Limited was declared, payable as to 7.84 pence per share on 30th May, 1978 to shareholders registered in the books of the Company on 5th May, 1978; and as to 4.26 pence per share at a time or times to be determined by the Directors to holders of ordinary capital now in issue registered at the time of payment. The foregoing figures will be subject to adjustment in the event of a change in the rate of Advance Corporation Tax.

The existing Directors were re-elected with the exception of Mr. S. G. Sweetman and Mr. M. Ormerod whose retirement had already been announced and who did not offer themselves for re-election. Mr. R. W. Archer, Mr. P. V. M. Egan and Mr. J. Loudon were elected Directors of the Company.

The Auditors were re-appointed. Resolutions were approved to reconvert the 20 per cent Third Cumulative Preferred Ordinary Stock into 20 per cent Preferred Ordinary shares of 5p each, and to make consequential changes to the Articles of Association.

Mr. Daniel Meinerzhagen, a shareholder, proposed a vote of thanks to Sir David Orr, Directors, Managers and Staff. In reply the Chairman said that he would pass this on to all employees. He felt sure that it would be greatly appreciated.

# Unilever

The Annual General Meeting of Unilever N.V. took place in Rotterdam on the same day. Mr. H. F. van den Hoeven, Chairman of Unilever N.V., presided and delivered the same speech as Sir David Orr in London.

A statement on the wages and conditions of African workers employed by Unilever companies in South Africa has been published. Copies may be obtained from the address alongside.

To: Information Division,  
Unilever Limited,  
P.O. Box 68, Unilever House,  
London EC4P 4BQ.

Please send me a copy of the full text of the speech.

Name

Address

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BIDS AND DEALS

## Dorada profits ahead at four months

For the first four months of 1978, profits of Dorada Holdings are ahead of budget and those recorded in the same period last year. Mr. Thomas Kenny, chairman, told shareholders at yesterday's annual meeting. He also said the offer documents for Dorada's 25m bid for control of the British School of Motoring had been posted.

The logic of Dorada acquiring the group controlling BSM is that it would procure the motor vehicles, service and resell them, and Dorada replace the fleet of 1,000 at least once a year, said Mr. Kenny. "All these sources of profit are presently not available to BSM."

Dorada operates its subsidiaries on a decentralised basis, and the BSM group would be run on the same basis. Security of work for the instructors and staff is assured.

The offer documents show that Dorada is bidding for Alston House Finance and Tax, vehicle Leasing, two private companies with identical shareholders and headed by Mr. Anthony Jacobs, the executive chairman of BSM.

The offer is £18.35 cash for every three MHP shares and 70p cash for each TVL share. Alternatively, Dorada is offering 22

comment

Dorada's offer documents put pressure on its rival bidder, Mr. Anthony Jacobs, chairman of the MHP group to produce his offer. When Dorada announced its intention to bid for the MHP group it was disclosed that Mr. Jacobs also intended to bid. Both bids value the MHP group at slightly more than £3m. Mr. Jacobs intends to offer cash while

Dorada is offering cash, shares or a mixture. Dorada's bid gives a chance to take part in any merger benefits while holding a stake in a public growth company. Dorada shareholders could face some initial dilution of earnings although the dividend is unlikely to fall below the current rate of 4.57p a share. Assuming normal company tax rates, the MHP TVL net earnings for 1977 are £297,600. Thus the combined earnings total £1,067,323 (the Dorada figure is after preferred dividends and minorities). This gives an earnings per share of 13p if Dorada issued shares to acquire 100 per cent of MHP/TVL. Dorada's net earnings per share for 1977 was 18.6p. On a pro forma basis Dorada's dividend cover would fall from about four to 2.8 times assuming an unchanged dividend. But integration benefits are likely to be significant.

ALEXANDER HOWDEN

Dai-Tokyo Fire and Marine Insurance is to take a substantial stake in Alexander Howden Group's two U.S. insurance companies, Drake Insurance of New York and Cranford Insurance. The consent of the New York Department of Insurance to the investment in Drake is expected shortly. Dai-Tokyo will subscribe for new shares in both companies and as a result will hold 12 per cent of the capital of Drake and 23 per cent of Cranford. This is Dai-Tokyo's first investment in North America, though it has had trading relationships with Howden for some time.

## Folkes Hefo down to £3m.

A DECLINE from £2.25m to £1.12m in the second half of 1977 left pre-tax profit of John Folkes Hefo down to £3.06m compared with a peak £4.16m last time, reflecting reduced stock profits. Turnover improved from £53.52m to £64.94m.

In the first four months of 1978, profits earned are at a higher rate than in the second part of 1977, but lower than in the first half of that year, say the directors. However, as the trend is upwards, it is probable that full year profit will be greater than for 1977, they add.

A divisional analysis of 1977 profits before tax and loan interest shows (in £000s): industrial property £1,340 (£1,034), engineering £1,899 (£2,789), merchandising £325 (£390) and housing £261 loss (£2). The percentage of profit on external turnover was 4.8 per cent compared with 7.6 per cent for 1976.

The directors point out that if a CCA cost of sales adjustment had been applied in 1976, it would have amounted to £3m, as a result of price increases, compared with £1.6m in 1977.

	1977	1976
Turnover	64,940	53,520
Trading profit	3,060	4,160
Depreciation, etc.	2,210	2,140
Loan interest	40	40
Profit before tax	810	980
Tax	243	154
Net profit	567	826
Minorities	103	463
Goodwill	975	975
Prof. dividends	3	3
Ord. dividends	601	582
Retained	1,655	2,415

After tax of £24,000 (£24,000) added for ED 35 net profit was £2.74m (£4.03m). A final dividend of 0.97008p raises the total for the year from 1.23999p to the maximum permitted 1.57008p per 5p share.

comment  
Although stock profits are sub-

## Britannia Arrow reduces loss and cuts provision

AFTER EXCEPTIONAL debits of £15.5m, against £0.98m, previously the prior loss of Britannia Arrow Holdings, formerly Slater, Walker Securities, was cut from £5.19m to £2.72m in 1977.

With extraordinary profits of £2.67m, compared with debits of £2.25m, in 1978 the net loss came out at £1.00m (£2.55m). There was also a £36,770 tax charge (£0.36m, credit) and a minority debit of £203 (£49,797 credit).

The extraordinary profit is largely attributed to a 50m reduction in the provision for losses on the disposal of investment properties and profits of £1.19m, from the sale and liquidation of group companies and the sale of investments. These were mainly offset by a £0.75m write-off in the value of insurance subsidiaries and a £0.54m provision for a reduction in a sum due to the group.

The new chairman, Mr. Geoffrey Rippon, MP, says in his annual statement that in the course of the past two years the main difficulties of the group have been resolved and it is now possible to envisage a period of consolidation and growth.

The main priority is to increase the return on assets, which should return the group to profitability and then to recommence dividend payments, starting with the preference arrears. Those stood at £0.34m, at balance date.

It is too early, he says, to predict when dividend repayments will be restored.

Mr. Rippon says it was encouraging that the sales of properties in the year and the general upswing in the market enabled the write-back of 52m of the provision, which now stands at £0.64m. The £1.7m provision for dealing properties is considered adequate and with all developments now completed this drain on the profit and loss account has

comment

Britannia Arrow's property holdings may have come down to just over £15m by the end of 1977 (from £28m at the beginning of the year), but they are still mopping up income: some £4.45m in the last financial year. So priority number one is still to get rid of these assets, though whether the "substantial" disposals hoped for this year will be substantial enough to complete the current phase of "consolidation" remains to be seen. At least rising interest rates are not a major problem, since the bulk of the £30m-plus borrowings are fixed rate, while the £16m in cash on the opposite side of the balance sheet can be placed in bank in more. Meanwhile the investment management side which provides the group's raison d'être produced £1.88m above the line for the year as a whole—though 1978 has so far been less than propitious. Resumption of dividend payments is evidently still a long way off, which is why the shares closed 11p down at 18p. On the basis of the accounts—there has been no independent valuation of the property—not asset backing is 11p.

## Harcros terms not good enough

BY JAMES BARTHOLOMEW

Complaints in the High Court about the price Harcros and Crofield paid for Harcros Investment Trust are on the cards now that compulsory purchase of the outstanding Harcros shares will take place.

H and C has obtained acceptance from Harcros shareholders owning over 90 per cent of the company not already owned by H and C. It is therefore able to compulsorily acquire the remainder and a spokesman confirmed yesterday that it would do so "in due course".

But some Harcros shareholders believe that the terms of the offer are not good enough and are taking advice as to whether they should apply to the High Court for them to be changed. The compulsory purchase gives the dissenters a good opportunity to object because of the Court's power to change the price under section 200 of the Companies Act 1948.

One of the likely participants in any Courtroom argument said yesterday that section 200 is not simple and few are the instances when dissenters have succeeded with it. But if they did, then those who accepted the cash offer of 22p per share might feel particularly aggrieved since the worth of the share offer already 100p and the complainants would presumably want even more.

A spokesman for H and C said yesterday that some of the criticism of the Harcros offer, which went unconditional in January, is unjust. Allowing for the jumps in the value of Harcros holdings in London Sumatra and Harrison's Malayan Estates, the share offer was at a higher premium to net asset value now than it had been at the height of the bid battle in January.

Further news about H and C's more recent bid for Harrison's Malayan Estates came to light yesterday.

Baring Brothers bought 51,000 H and C shares for investment on Tuesday. Baring is currently acting for H and C in this share only offer.

A spokesman said yesterday, but the corporate finance department of Baring had nothing to do with the purchase. This department was run quite separately from the investment department. There was no question of the

### Adda stake changes hands

Mr. H. J. Edwards and associates have agreed to buy 5.25m shares (29.5 per cent) of Adda International, the hotel group, from the founding Garcia family for £2.4m.

Mr. Edwards is expected to become chairman and chief executive. He was previously chairman and managing director of Centre Hotels (Cranston) which was taken over by Coral Leisure Group last year.

Mr. Derek Garcia, who together with the executives of the late Mr. A. A. Garcia supplied the shares, will leave the Board but he and his family interests will retain over 22 per cent of the capital.

Mr. Garcia commented yesterday: "My main concern has been to bring the group into a profitable situation. The group has a promising future and my personal faith in this is, I feel, illustrated by my retention of a substantial stake in Adda."

Adda yesterday announced a pre-tax profit of £1m, compared with a loss of £27,000 for 1976. The hotel's contribution was up £400,000 at £1.6m and interest charges were down just under £0.9m, at £0.8m.

MINCORP

Acquisition of Rhos Mining by Mining Investment Corporation has been completed the directors state. At an extraordinary meeting 54 per cent of the total votes were in favour of the takeover and less than 1 per cent against.

CHAD VALLEY

Chad Valley, which has been acquired by General Mills UK, was not formerly part of Lines Brothers, as stated in yesterday's Financial Times.

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\*Source: The Times 1960-1977.

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## Ellis & Goldstein (Holdings) Limited

Manufacturers, distributors and retailers of ladies outerwear—

Eastex Dereta LAURA LEE

### 1978 RESULTS

	1978	1977
Year to 31 January	£000	£000
Turnover	30,594	28,546
Profits before tax	1,225	926
Taxation	682	516
Total ordinary dividends	1.90p	1.72p
Earnings per stock unit	2.3p	1.8p

### Points from the statement by the chairman Mr. W. Goldstein

- \* All the improvement in profit came in the second half of the year. At home, a considerable reduction in end of season markdowns following the improved Autumn's trade, helped our retail division to show much better results.
- \* Total turnover was greater by more than £2,000,000 and within this increase wholesale sales at home were up by 14% while exports increased by 25%. Our knitwear company made a valuable contribution to the overall results.
- \* Overseas the recent momentum of development of retail sales has not been maintained due primarily to depressed conditions in Australia and Canada which continue, and competition is increasing elsewhere.
- \* The £676,000 investment on additions to and replacement of assets, related mainly to the factory extension in North Shields and knitwear plant and equipment, where substantial commitments exist for this year.
- \* The Group's freehold land and buildings are to be professionally valued during 1978.
- \* Retail sales of Spring goods at home are satisfactory but the peak season's trade is still to come. We are encouraged by the orders for Autumn 1978 and are hopeful of making further progress during the current year.

Copies of the Report and Accounts are available from The Secretary, P.O. Box 5, Rowdell Road, Northolt, Middlesex UB8 5QT.





**DUPORT GROUP**



**Salient points from the Report and Statement by the Chairman, Mr Eric C Sayers, for the year ended 31st January, 1978.**

- Group profits before taxation amounted to £8.0m compared with £11.4 million in 1976/77 and the ordinary dividend has been increased by the maximum amount permissible.
- The world recession in demand for steel affected margins and resulted in substantial under-utilisation of capacity.
- Demand for products of our engineering companies was satisfactory especially from agricultural tractor and commercial vehicle manufacturers.
- A highly competitive market exposed vulnerabilities following the reorganisation of our bedding and furniture operations which resulted in heavy losses.
- The first electric arc furnace was completed and began operating in April. Installation of the second furnace is progressing satisfactorily and is due to be completed by the end of 1978.

Summary of figures	1978	1977
Turnover	£'000	£'000
Profit before taxation	195,587	173,014
Taxation	8,016	11,446
Basic earnings per ordinary share	2,122	2,622
Ordinary dividends (amount per share gross)	14,88p	24,13p
Number of employees at year end	6,81p	6,19p
	11,513	12,936

- Immediate prospects are not good due to depressed levels of demand in all sectors of the Group and it is likely that results for the first half will fall well short of those for the corresponding period last year. However, the vigorous steps we are taking in reacting to the situation will put us in good shape to take full advantage of the up-turn in trade when it comes.

More specifically, rewards will begin to appear from the massive investment in South Wales, where, after a long gestation period the new plant has made an encouraging start. In addition, the long months of preparation to correct the situation within our bedding companies is now being reflected in positive action. Results are therefore expected to improve in the second half of 1978/79 and we look to the longer term future with confidence and cautious optimism.

Copies of the full Report will be sent to all Shareholders and to Debenture and Loan Stockholders. Further copies are available from The Secretary, Duport House, Edgbaston, Birmingham B16 8JL.

## DUPORT LIMITED

The Duport Group of companies operations are steel making, Engineering and the manufacture of durable products for the home.

## MINING NEWS

# Brinco merger plans fail

BY PAUL CHEESBRIGHT

PLANS FOR Brinco, the Rio Tinto-Zinc Canadian unit, to gain a ready cash flow by spreading into oil and gas operations through a merger with Coska Resources and Canadian Natural Resources have been abandoned. A Brinco announcement yesterday said that the companies "have terminated negotiations with respect to the agreement in principle to combine the assets of the three companies and their wholly owned subsidiaries into a single enterprise."

The agreement in principle was announced on April 27. The proposed merger foundered on fears that Coska shareholders would not approve of the arrangement. Financial reaction in Toronto was cool to the proposal, with the feeling gathering ground that a merger would favour Brinco more than Coska. While there appears to have been little doubt that shareholders in Canadian Natural Resources would give the merger their blessing, it was thought advisable to call off the plans rather than run the risk of a fight with Coska about them later.

Brinco will retain its existing 25 per cent share in Coska. This was built up over a period of several months to last January. Nevertheless Brinco is back to where it started with cash and a string of mining prospects which it is finding difficult to develop in the prevailing financial climate. "We feel that over the short term there will be more action for us in the oil and gas sector," Mr. D. R. De Lanorte, the Brinco president told the Northern Miner early this month.

Between them Coska and Canadian Natural Resources have an annual cash flow of about £510.5m. Their prospective share of equity in the merger would have been 55 per cent and 10.8 per cent respectively. Brinco's main assets are £547m in cash, a 60 per cent stake in the Kirtz-Michelin uranium prospect in Labrador, a 60 per cent share in Abitibi 60 asbestos which has an undeveloped deposit in Quebec, and a 25.3 per cent interest in a zinc deposit in the U.S. state of Washington.

## ALGERIA PLANS SAHARA MINES

Algeria could start developing uranium, tungsten and gold deposits in the Sahara by the end of the year, Mr. Ferhat Oubrahim, the general manager of the national mining group Societe Nationale de Recherche et d'Exploitation Miniere (Sonarex), told a local newspaper.

He said that substantial deposits of all three minerals could now be confirmed in Hoggar area and the first work on the mining sites would start in 1979 or 1980.

But Mr. Oubrahim made clear that difficulties should not be underestimated. The deposits are in an area where there is no industrial equipment, no energy and poor water resources. However, it is understood that Algeria has been active in studying dry processing techniques.

Final studies on the exploitation of the minerals have yet to be carried out.

## Kerr Addison's income drops

KERR ADDISON, the diversified Canadian group which is 43.5 per cent owned by Noranda, has reported a sharp decline in 1978 first quarter earnings. Net profits were £81.53m (£904,780) compared with £83m in the first three months last year.

Production revenue dropped, owing to the depressed zinc prices which hurt Mogul of Ireland, while gold profits were much the same as in the first part of 1977 as higher prices offset lower output.

But Kerr's main problem is at Agnew Lake Mines, the uranium producer. Output has continued to disappoint expectations and production in the first quarter at 69,000 lb of uranium oxide concentrates was under 30 per cent of the designed capacity.

Coming to terms with an onslaught of technical difficulties, Kerr is confident that total production this year will be 0.5m lb of concentrates, rising to 1m in 1979. This will be enough to meet delivery commitments, the group said.

## KILLINGHALL IN EQUITY TALKS

Responding to the movement in Malaysia for greater domestic participation in natural resource ventures, Killingshall Tin has started discussions with an unnamed Malaysian investment company. This could lead to the Malaysian company taking a portion of Killingshall equity.

The move was announced yesterday by Killingshall (Rubber) Development Syndicate on whose land Killingshall Tin mines. In the first seven months of the financial year to September, Killingshall produced 404 tonnes of tin concentrates, 55 tonnes less than in the same period last year. Its share price in London yesterday was unchanged at 470p.

## Good start for life business at L. & G.

CHAIRING HIS first Legal and General Assurance Society AGM, Lord Caldecote said that in the UK, as expected, there had been quite exceptional activity in the pensions business—in the first quarter of 1978. He also announced the group's support for the "advance funding" method of running pension schemes. The ordinary life business got off to a good start and at present was well above the same period in 1977. However, the chairman felt that Government restraint on mortgage lending was bound to have an effect as the year proceeded. General insurance premiums in the first quarter had grown at the planned level. Extracts from chairman's statements made at other annual meetings yesterday are as follows: Barton and Sons—Mr. John Wardle said that although conditions in most of the industries in which the group operated remained far from easy, the year had started very well. However, it was too early to say with any certainty that the improved trend would be reflected throughout the year. Britains—Mr. K. R. Latchford stated that lack of buoyancy in trading together with extreme pressure on margins was the fundamental inhibiting factor in the rate of improvement in group profitability. He believed that slow but steady progress would be maintained over the rest of the year. Unilever—Sir David Orr reported that although the group had made a disappointing start to the year it remained in good shape and was poised to take full advantage of the next economic upturn. On Tuesday the group announced quarter pre-tax profits down by 1 per cent, to £10.6m—the main cause for the fall was the sluggishness of industrial and consumer markets.



**ARNOLDO MONDADORI EDITORE**  
S.p.A. with Head Office in Milan  
Capital Lit. 7,507,500,000

## Annual General Meeting of the 23rd April 1978

The Company's Shareholders Meeting was held in Milan on 23rd April 1978 in order to approve the Balance Sheet as at 31st December 1977. In its Report the Board revealed the following significant items:

- Total Turnover for the year under review amounted to Lit. 210,173m. (+20%);
- Exports, already included in the total turnover, amounted to Lit. 48,312m. (+40%);
- Turnover of the controlled companies amounted to Lit. 68,000m.; the algebraic sum of the results obtained by these companies gives a profit of Lit. 714 million.
- Fixed Assets in Machinery amounted to Lit. 46,336m.
- Ordinary depreciation for the financial year totalled Lit. 4,912m., of which Lit. 1,425m. cover costs over several years. The Depreciation Fund reached Lit. 27,674m.;
- Reserves shown in the accounts at the end of the financial year totalled Lit. 9,277m.;
- Personnel employed by the Company as at 31 December 1977 numbered 5,391 in all. The Group's employees, including the employees of the controlled companies, number 6,534.

The results for the year reflect an improvement (in respect of the past few years) that continued encouragingly during the first months of the current year. The loss of 280 million Lire with which the year closed was also the result of a capital operation implying the sale of a passive shareholding and a prudent revaluation of other largely active shareholdings.

The Meeting approved the Report, the Balance Sheet and the consequent proposals by the Board.

# Readicut profit moves ahead to £7.6m

WITH TURNOVER up from £57.72m to £76.38m taxable profit of £275,308 (£279,218) the final dividend of 1.11435p net per 5p share takes the total from 1.42p to 1.58803p.

Overall in the current year further progress is expected, with higher sales and profits. Capital spending is anticipated to reach £5.9m.

The result is subject to tax of £2.87m (£3.63m) and after interest of £275,308 (£279,218) the final dividend of 1.11435p net per 5p share takes the total from 1.42p to 1.58803p.

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On the carpets side 1977-78 was a difficult year with profits down 16 per cent although sales rose 9 per cent. Prospects for the current year are more encouraging.

Overseas division profits were

lower due to disappointing performances in France and Germany as a result of increased marketing expenses coupled with slightly reduced sales. Higher profits from the U.S. Canada and Ireland were unable to offset the Continental reductions.

At half-time, when profits were ahead from £2.13m to £2.45m, it was expected that while full year results would be satisfactory the overall increase would not maintain the same percentage relationship as the first half figures.

For the year the retail division experienced difficulties, with the exception of sales from the company's shops. Demand for rug kits was relatively dull and sales volumes were marginally lower.

In the textile section of the manufacturing division, Fifth Furnishings turned in record sales and profits, with exports almost doubled. The demand for household textiles was buoyant.

With yarns, the main impetus was the depressed state of the UK carpet industry and the steady decline in cross-bred wool prices. A 51 per cent increase in direct exports was achieved, resulting in similar profits to last year.

The highlight of the "others" section was the much improved contribution from Plasticisers. Dunkerfort had another year of rapid expansion, with the range of toy kits highly successful.

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## Three months' results

### Interim Statement

The results for the three months ended 31st March 1978, estimated and subject to audit, are compared below with those for the similar period in 1977, which are restated at 31st December 1977 rates of exchange; also shown are the actual results for the full year 1977.

It must be emphasised that the results for the interim period do not necessarily provide a reliable indication of those for the full year.

	3 Months to 31.3.78 Estimate £ millions	3 Months to 31.3.77 Estimate £ millions	Year 1977 Actual £ millions
Net written premiums—			
General Business .....	194.2	167.5	674.6
Investment Income .....	20.5	17.2	75.3
Underwriting Results—			
General Business .....	(8.9)	(6.6)	(6.3)
Long Term Insurance Profits ..	0.7	0.5	2.7
	12.3	11.1	71.7
Loan and Bank Interest .....	0.4	0.4	1.5
Profit before Tax and Minority Interests .....	11.9	10.7	70.2
Principal exchange rates used in converting overseas results:			
U.S.A. ....	\$1.86	\$1.92	\$1.92
Canada ....	\$2.11	\$2.10	\$2.10

Net written premiums and investment income increased in sterling terms by 15.9% and 18.9% respectively. Adjusted to exclude the effects of currency fluctuations the increases were 13.9% and 17.1% respectively.

The U.K. underwriting loss on premium income of £70 million (1977 £58 million) was £7.9 million (1977 £3.5 million loss). Of the 1978 loss the Motor account contributed £2 million and the Fire and Homeowners accounts £5.5 million. Included in the latter were weather claims on Homeowners business amounting to £3 million while in the Fire account there was a substantial increase as compared with the same quarter in 1977 in the total number of intimated claims. The number of major Fire losses also showed a disproportionate increase and reflected not only weather claims but some impact from the firemen's strike action which continued into the early part of 1978.

In the United States net written premiums were \$141.3 million (1977 \$127.3 million) and the operating ratio was 100.84% as compared with 104.83% for the same period in 1977. The Automobile account produced a good profit but there were losses in the Liability and Property accounts, the latter being substantially affected by severe weather claims. In the aggregate the underwriting loss amounted to £1.5 million (1977 £3.6 million loss).

Although there were again substantial losses in Europe (£1 million) and a small loss in Canada, there were good results from Australia, Brazil and international business.

### Dividend for the year ended 31st December 1977

At the Annual General Meeting to be held on 24th May, and as already announced, the Directors will propose a final dividend of 4.347p per ordinary share making, with the interim of 3.75p per share already paid, a total for the year of 8.097p per share. In the light of the current amendments to the Finance Bill, the Directors will also propose an additional dividend on the ordinary shares for 1977 of 0.066p per share conditional on the rate of Advance Corporation Tax being reduced to 33% for the Financial Year 1978. The final dividend will be payable on or after 1st July 1978 and the additional dividend, if any, with the interim dividend for 1978.



**General Accident Fire & Life Assurance Corporation Ltd.**  
World Headquarters, General Buildings, Perth, Scotland.

F. W. WOOLWORTH AND CO., LIMITED  
Woolworth House, 242/246, Marylebone Road, London NW1 6JL

مكتبات الأمل



## INTERNATIONAL FINANCIAL AND COMPANY NEWS

## NORTH AMERICAN NEWS

## Sears warning on TV advertising

BY JOHN WYLES

SHOULDERING THE banner of "corporate responsibility," Sears, the largest U.S. retailer, has warned the three national television networks that it may have to withdraw advertising from an increasing number of programmes because of "excessive violence and anti-social behaviour."

Sears has emerged as the most prominent corporate campaigner against the portrayal of sex and violence, and it latest broadcast on the networks has been prompted among other things by its identification as a supporter of programmes which have earned the opprobrium of the National Parents Teachers Association (PTA), the National Citizens Committee for Broadcasting and The National Federation for Decency.

In the past few days, Sears has announced that it will no longer take advertising spots in Charlie's Angels, a dramatic series featuring three public young women, and Three's Company, a comedy series. "Charlie's Angels is not the sort of programme we want our products to be associated with," said a Sears spokesman today. "We pulled out because of its excessive and continual exploitation of women's bodies," which,

he added, were "the biggest thing going for the show." Other shows which Sears has decided no longer to support include the police dramas, Starsky and Hutch, Kojak, Baretta and Hawaii Five-O. Since January 1977, the company says that it has withdrawn 128 commercials from more than 60 episodes of various programmes.

Sears denies that it is trying to censor the content of TV shows but it does insist on seeing synopses, scripts and tape recordings of programmes before it takes its final advertising decision.

The company has not yet reduced its total spending on TV advertising which amounts to 20 per cent of its advertising budget, but one of the concerns behind its warning to the networks is that advertising options are being seriously reduced by

NEW YORK, May 17.

## Foreign store for NY

NEW YORK, May 17.

THE Abercrombie and Fitch discussions were under way with two foreign retailers, one in France and one in Britain, to take over the street level selling space, and possibly both mezzanine and below street level areas as well.

The present owner of the building in mid-town Manhattan, the 380 Madison Avenue Corporation, disclosed the plan in an article in today's New York Times. Mr. Bernard Zimmerman, a partner in 360 Madison Avenue Corporation, said that

discussions were under way with two foreign retailers, one in France and one in Britain, to take over the street level selling space, and possibly both mezzanine and below street level areas as well.

Mr. Zimmerman did not disclose the names of the possible new tenants, but he said that they were both prominent in the selling of clothing and cosmetics. He added that the company had paid several million dollars for the building when it bought it from The First National Bank of Chicago.

Studios by the National PTA, the Committee for Broadcasting and The Federation for Decency have stung the company by their criticism and Sears has agreed to spearhead an attempt by the National PTA to set up a business advisory council to its TV action centre.

The networks are likely to take such a development seriously if it takes wing, since Sears is trying to involve the top 30 corporate advertisers on television, and has invited them to an inaugural meeting in Chicago on May 31.

## Caution on American Airlines' year

NEW YORK, May 17. AMERICAN AIRLINES' results this year "are not likely to be as impressive as those of the past two record years," chairman Mr. Albert V. Casey told the annual meeting. However, traffic growth for the year is expected to exceed forecast industry growth of 9.6 per cent.

Last year, American earned \$2.54 a share on operating revenues of \$2.26bn compared with \$1.97 a share on operating revenues of \$2.01bn in 1976.

American's first quarter was hit by severe winter weather, and rising fuel costs which resulted in a 35 cents a share loss in the period on operating revenues of \$596.7m compared with a restated loss of 7 cents a share on operating revenues of \$523.3m.

The chairman criticised what he called a "dazzling array of discount fares, which he said have been devised for short-term competitive advantages and with too-little regard for long-term consequences."

Meanwhile Puerto Rico Hotel Corporation has acquired the Americana Hotel in San Juan from American. The airline said the purchase price was \$4m. The hotel chain plans to refurbish the 450-room hotel and re-open it in December. The hotel adjoins two others already owned by Puerto Rico Hotel Corporation.

Tishman Realty and Construction, the land development company, reports an operating net profit of \$85,000 for the second quarter against the \$212,000 for the same period of last year. For the latest quarter, a gain from real estate disposals and from discontinued operations plus a tax credit result in a final net of \$27,000 or 8 cents a share. Agencies report from New York.

## Perkin-Elmer upsurge

The instruments and electronics concern, Perkin-Elmer managed a 37 per cent advance in net profit in its third quarter to \$9.5m, to give 49 cents a share for the latest period against 36 cents for last year's third quarter. Agencies report from New York.

The terms of the Nippon Shiping issue have now been fixed, as indicated the coupon will be 31 per cent and the issue price par. The conversion premium is 10 per cent.

The importance of German domestic investors in the D-Mark foreign bond market was underlined yesterday by detailed figures for 1977 published by the Bundesbank. Domestic investors contributed DM 2.8bn worth or a quarter of the total issues of DM 10.3bn last year. Domestic investors had provided DM 300m or about 5 per cent of the total in 1976.

A more attractive rate of return on D-Mark Eurobonds in relation to domestic fixed interest securities as well as profit taking motives were the key factors behind the shift, the Bundesbank said.

Among the purchasers, credit institutions bought DM 1.1bn worth of foreign bonds last year, individuals DM 700m and investment funds DM 300m.

## Earnings upturn at Harvester

International Harvester announced net earnings for the second quarter of the year of \$2.36 a share against \$1.97 reports AP-DJ from Atlanta. Total earnings were \$70.8m, compared with \$57.6m. net. Sales increased to \$1.7bn. from \$1.5bn.

For the six months net earnings of \$58.54m or \$2.36 a share compared with \$52.7m, or \$2.51. Sales of \$2.8m match the previous \$2.7m.

Last month, Mr. Frank L. Miller, vice-president and chairman, forecast that this year's sales would rise by 5 per cent over last year's \$6bn.

Dymo bid suit  
Dymo Industries has filed a suit in a New York Federal District Court seeking to block the \$45.3m takeover bid by Esselte of Sweden, reports John Wyles from New York.

Dymo has said that the \$24 a share tender offer by Esselte's U.S. subsidiary, Oxford Penaflex Corporation, is inadequate for the now launched what is being the standard legal defence against unwelcome bids. Its court complaint seeks an injunction against the tender offer on the grounds that various violations of the law have been committed. Specifically, it claims breaches of the Federal Antitrust Law, Federal Securities Laws and of margin regulations.

## Canadian Tire

Motor parts retailer Canadian Tire suffered a 15 per cent fall in first quarter net profit to C\$4.1m (U.S.\$5.7m) to give 53 cents a share against the 64 cents for the same period last year when the figure was restated to reflect an inventory tax credit. Revenue also dipped to C\$165m (U.S.\$184m) Agencies report.

Oscar Mayer dips  
The fall in the dollar against the Japanese yen is blamed by meat products group Oscar Mayer for a 37 per cent fall in net profit for the first six months to \$5m or 62 cents a share against the \$1 a share for the same period of last year. Sales rose 11 per cent to \$625m, agencies report from Madison.

Mexican sale  
Two major U.S. companies, Ralston Purina, the feeds and cereals group and Firestone, the tyre and rubber concern, are selling off 51 per cent of their Mexican subsidiaries. The Firestone sale by way of an offer to the public, was oversubscribed. Agencies report. The Ralston sale is in progress and both are being made to meet the requirements of the Mexican Foreign Investment Act.

## PETRO-CANADA'S OIL QUEST

## Seeking self-sufficiency

BY ROBERT GIBBENS IN MONTREAL

"IT'S TOUGH to go on throwing money at the High Arctic," exclaims Wilbert H. Hopper, president of Canada's national oil company Petro-Canada, as he unfolds his energy map.

At times the search for oil and gas in Canada's huge frontier areas, from the Beaufort Sea through the Arctic to the offshore areas from Labrador and the Scotian Shelf appears to be an expensive and "thankless task." But the search is going on in the hope of locating new major reserves which could isolate Canada and its economy in the next 20 or 30 years from another energy crisis and possible oil embargo.

Petro-Canada, 100 per cent owned by the Federal Government on behalf of the people of Canada, is just two years old. Some of the political controversy surrounding its birth has died down, the company is better accepted by the private sector, and it is steadily building up on the asset base of the former Atlantic-Richfield Canada (Arcan) acquired over 18 months ago for around \$300m cash.

Petro-Canada at one time was called "a political instrument turned loose in the oil and gas business, with no rudder, no compass and no anchor... all wind and no sail." It has gone through changes in policy and heavy senior staff turnover, but now appears to be shaking down.

It has two bosses—the federal Cabinet and the Federal Treasury Board. "We cannot spend anything without approval," says Mr. Hopper. Some private oil industry men say he spends too much time between Calgary headquarters and government offices in Ottawa, when he should be concentrating on finding big structures of oil and gas.

Mr. Joe Clark, the Canadian Opposition leader, has vowed that if the Progressive Conservatives win power in Ottawa, they will wind up Petro-Canada.

Petro-Canada, partly as a result of its assumption of the federal government's 45 per cent interest in the Arctic public-private exploration consortium, Panarctic Oils, is heavy on oil and gas holdings and permits in the frontier areas in an arc from Hershel Island in the Beaufort Sea, near the Alaska border, through the central and high Arctic Islands, east via Lancaster Sound to the Baffin Bay area ("a hot prospect") and down the Labrador coast to the Scotian Shelf.

Panarctic has been searching for oil and gas in the Arctic Islands for more than a decade and at a cost to itself and partners estimated at around \$500m. It has come up with proven reserves of around 12 trillion (12 million million) cubic ft of gas and some possibly commercial quantities of oil. Its major fields are at Melville Island and King Charles Island (gas) and Cameron Island (oil). Its gas interest in getting back to the

reserves are only half what conventional supply areas in would be needed to justify the Alberta, Polar Gas pipeline from Melville to the Boothia Peninsula and frontier areas. In many places down the west coast of Hudson's Bay to Toronto, Montreal and U.S. markets.

The frontier areas have a five-to-15-year pay-off period, says Mr. Hopper. That's why it's tough throwing more and more money in. It is also why Petro-Canada and Alberta Gas Trunk, the main Alberta gas transmission company, with a group of Canadian shipping firms, has been

studying the movement of relatively small quantities of gas from southern Melville via Lancaster Sound and the East Coast in LNG form.

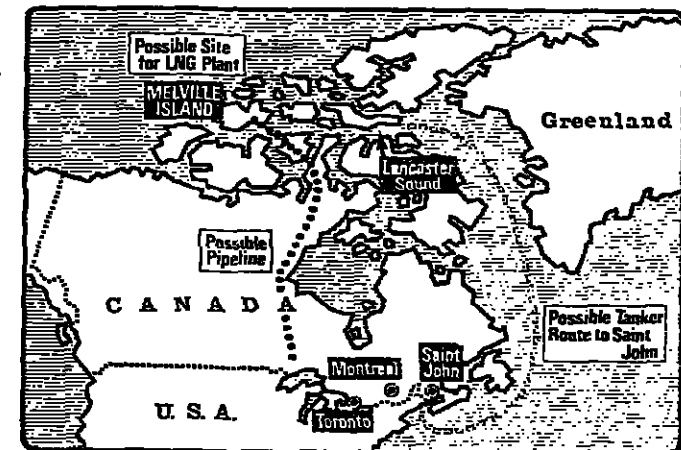
After liquefaction at Bridport Bay, Melville, icebreaking carriers would bring the LNG to degasification terminals at Saint John, New Brunswick, or Ganso, Nova Scotia, or possibly Quebec. Cost of this initial system would be about C\$2bn. The Polar gas pipeline has a current estimated cost of C\$10bn, but has no chance of an early start.

decision on the "Arctic Petro-Carriers Project" has been delayed till late summer for more studies. The shipping of gas in tankers has been their point of view.

The Polar Gas project has not got anywhere near the threshold amount of gas yet, says Mr. Hopper. And the economies are still in doubt. But we hope to stay in the Polar Gas consortium.

"It would be imprudent to go the pipeline route with its immense cost if some other mode of transporting the gas makes sense and allows a faster return. LNG may be the way. The system would be flexible. And we desperately need some cash flow from the Arctic. You could start small and grow. It would not be necessary to export so much gas to the U.S. to make the economics right."

"We have moved into the frontier areas at a time when the private sector is primarily interested in getting back to the these new reserves.



This announcement appears as a matter of record only.

\$88,320,000

Leveraged Lease Financing of  
the 165,000 dwt  
S. S. Brooks Range

Manufacturers Hanover Leasing Corporation

J. P. Morgan Interfunding Corp.

GMAC Leasing Corporation

Owner Participants

Shipco 2297, Inc.  
Demise Charterera subsidiary of  
IOT CorporationSPC Shipping Inc.  
Time Charterer

a subsidiary of

The Standard Oil Company

(an Ohio corporation)

The undersigned acted as financial advisor to The Standard Oil Company and arranged for the placement of the original owner participations.

MORGAN STANLEY & CO.  
Incorporated

May 17, 1978

This announcement appears as a matter of record only.

\$70,900,000

Leveraged Lease Financing of  
the 120,000 dwt  
S. S. Tonsina

J. P. Morgan Interfunding Corp.  
Manufacturers Hanover Leasing Corporation

Merrill Lynch Leasing Inc.

Owner Participants

Shipco 668, Inc.  
Demise Charterer

a subsidiary of

Keystone Shipping Co.

SPC Shipping Inc.  
Time Charterer

a subsidiary of

The Standard Oil Company

(an Ohio corporation)

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MORGAN STANLEY & CO.  
Incorporated

May 17, 1978

## EUROBONDS

## Dollar sector moves ahead

By Mary Campbell

U.S. dollar bonds were fractionally better yesterday, but the D-Mark sector continued to languish partially as a reaction to the weakness of the domestic bond market.

The Bundesbank is continuing to buy back domestic Federal Government bonds to support the market, which is beset by interest rate uncertainties as well as affected by doubts on the future of the D-Mark on the foreign exchange market.

In London, a major feature was the strength of Canadian dollar bonds. Although dealers said that the rebound in the price of the rebonding had been magnified by a shortage of paper in the hands of the trading institutions, the recovery of the Canadian dollar on the foreign exchange market is said to be prompting some retail buying.

The terms of the Nippon Shiping issue have now been fixed, as indicated the coupon will be 31 per cent and the issue price par. The conversion premium is 10 per cent.

The importance of German domestic investors in the D-Mark foreign bond market was underlined yesterday by detailed figures for 1977 published by the Bundesbank. Domestic investors contributed DM 2.8bn worth or a quarter of the total issues of DM 10.3bn last year. Domestic investors had provided DM 300m or about 5 per cent of the total in 1976.

A more attractive rate of return on D-Mark Eurobonds in relation to domestic fixed interest securities as well as profit taking motives were the key factors behind the shift, the Bundesbank said.

Among the purchasers, credit institutions bought DM 1.1bn worth of foreign bonds last year, individuals DM 700m and investment funds DM 300m.

NEW ISSUE

These securities having been sold, this announcement appears as a matter of record only.

18th May 1978

U.S. \$25,000,000

Nordiska  
Investeringsbanken(Nordic Investment Bank)  
8½% Bonds Due 1988

NIB

Credit Suisse White Weld Limited

Banque de Paris et des Pays-Bas

Kreditbank S.A. Luxembourg

Hambros Bank Limited

Union Bank of Switzerland (Securities)

Westdeutsche Landesbank Girozentrale

Christiania Bank og Kreditkasse

Svenska Handelsbanken

Privatbanken Aktieselskab

Union Bank of Finland Ltd.

Alibi Bank of Kuwait K.S.C.	Algemeine Bank Nederland N.V.	A. T. Ames & Co.	Amex Bank	Amsterdam-Rotterdam Bank N.V.
Andelsbanken A/S	Andersen Bank N.V.	Arab African Bank	Arab Bank	Arnold and S. Bleichroeder, Inc.
ASLAC - Asian International Acceptances & Capital	Ayala Finance (H.K.) Ltd.	Banca Commerciale Italiana	Banca del Gottardo	Banca del Gottardo
Banca Nazionale del Lavoro	Banco di Roma	Bank of America International	Bank Julius Ruer International	The Bank of Bermuda
Bank of East Asia	Bank für Gemeinwirtschaft	Bank of Helsinki	Bank Len International Ltd.	Bank Mees & Hoop NV
The Bank of Tokyo (Holland) N.V.	Bankers Trust International	Bank of Benelux S.A.	Banken Bruehl & Lambert S.A.	Banken Bruehl & Lambert S.A.
Banque Française du Commerce Extérieur	Banque Française de Dépôts et de Titres	Banque Internationale à Luxembourg S.A.	Banque Générale du Luxembourg S.A.	Banque Nationale de Paris
Banque de l'Indochine et de l'Extrême Orient	Banque Norddeutsche S.A.	Banque Populaire Suisse S.A. Luxembourg	Baring Brothers & Co.	Barings Bank
Banque de Neufchâteau, Schlumberger, Mallet	Banque de l'Union Européenne	Banque Wirtz	Bayerische Vereinsbank	Beiersdorf Bank
Banque Scandinave en Suisse	Bayerische Hypotheken- und Wechsel-Bank	Bayerische Landesbank Girozentrale	Bayerische Vereinsbank	Beiersdorf Bank
Berliner Handels- und Frankfurter Bank	Byth Eastman Dillon & Co.	Caisse des Dépôts et Consignations	Chase Manhattan	Chase Manhattan
Chemical Bank International	Chemical Bank International	Clarendon Bank	Commerzbank	Commerzbank
Compagnie de Banque et d'Investissements (Underwriters) S.A.	Compagnie Monégasque de Banque	Continental Illinois	County Bank	County Bank
Credit Commercial de France	Credit Industriel et Commercial	Credit Lyonnais	Credit du Nord	Creditanstalt-Bankverein
Credito Italiano	Dai-ichi Kangyo Bank Nederland N.V.	Daiwa Europe N.V.	Den Danske Bank af 1871	Den Danske Bank af 1871
Den Danske Provinsbank A/S	Den norske Kreditbank	Deutsche Bank	Deutsche Girozentrale - Deutsche Kommunalbank	Dresdner Bank
DG Bank - Deutsche Genossenschaftsbank	Dillon, Read Overseas Corporation	Dresdner Bank	Dresdner Bank	Dresdner Bank
Efecto Bank-Warburg	European Banking Company	First Boston (Europe)	First Chicago	Robert Fleming & Co.
Fuji International Finance	Gefina International	Genossenschaftliche Zentralbank A.G. - Vienna	Girozentrale und Bank der Österreichischen Sparkassen	Girozentrale und Bank der Österreichischen Sparkassen
Girozentrale und Bank der Österreichischen Sparkassen	Hessische Landesbank - Girozentrale	Hill Samuel & Co.	IBJ International - Istituto Bancario San Paolo di Torino	IBJ International - Istituto Bancario San Paolo di Torino
Gruppo dei Banche Privati Generali	R. Hengeman jr. Bank	Jardine Fleming & Company	Kansallis-Osake-Pankki	Kidder, Peabody International
Kippenhans Handelsbank	Kleinwort, Benson	Kreditbank N.V.	Kuhn Loeb Lehman Brothers International	Kuhn Loeb Lehman Brothers International
Kuwait International Finance Co. S.A. "KIFCO"	Kuwait Investment Company (S.A.E.)	Landbank Islands	Lazard Brothers & Co.	Lazard Brothers & Co.
Lazard Frères et Cie	Lloyds Bank International	Manufacturers Hanover	McLeod, Young, Weir International	Merrill Lynch International & Co.
Mitsubishi Bank (Europe) S.A.	Mitsui Finance Co.	Morgan Grenfell & Co.	Morgan Grenfell & Co.	Morgan Grenfell & Co.
National Bank of Abu Dhabi	The Nikko Securities Co. (Europe) Ltd.	Namata Europe N.V.	Norddeutsche Landesbank Girozentrale	Norddeutsche Landesbank Girozentrale
Norddeutsche Bank Zürich	Nordic Bank	Sal. Oppenheim jr. & Cie.	Orion Bank	Peterbroeck, van Campenhout, Kempen S.A.
Pierson, Helderling & Pierson N.V.	PKBanken	Postbank	Rothschild Bank AG	N. M. Rothschild & Sons
Salomon Brothers International	Sanwa Bank (Underwriters)	Saudi Arabian Investment Company Inc.	Scandinavisk Bank	Scandinavisk Bank
Scandinavian Securities Corporation	J. Henry Schroder Wagg & Co.	Scandinavisk Bank	Smith Barney, Harris Upham & Co.	Smith Barney, Harris Upham & Co.
Société Bancaire Barclays (Suisse) S.A.	Société Générale	Société Générale de Banque S.A.	Société Privée de Gestion Financière et Foncière	Société Privée de Gestion Financière et Foncière
Spaarnbank Bank	Strauss, Turnbull & Co.	Sumitomo Finance International	Sunderlandbanken	Sun Hing Kai International
Swiss Bank Corporation (Overseas)	Trade Development Bank	Trinkaus & Burkhart	Union Bank of Norway	Vereinsbank Westbank
J. Vostobel & Co.	S. G. Warburg & Co. Ltd.	Williams, Glyn & Co.	Wood Gundy	Yamaichi International (Europe)



Dept. FT. Duke of York's HQ, London SW3 4SP

**The Sanwa Bank Ltd    The Mitsui Bank Ltd**  
**The Dai-ichi Kangyo Bank Ltd    The Nomura Securities Co Ltd**  
 (Shareholders' aggregate assets well exceeding U.S. \$130,000 million)

**2 May, 1978**

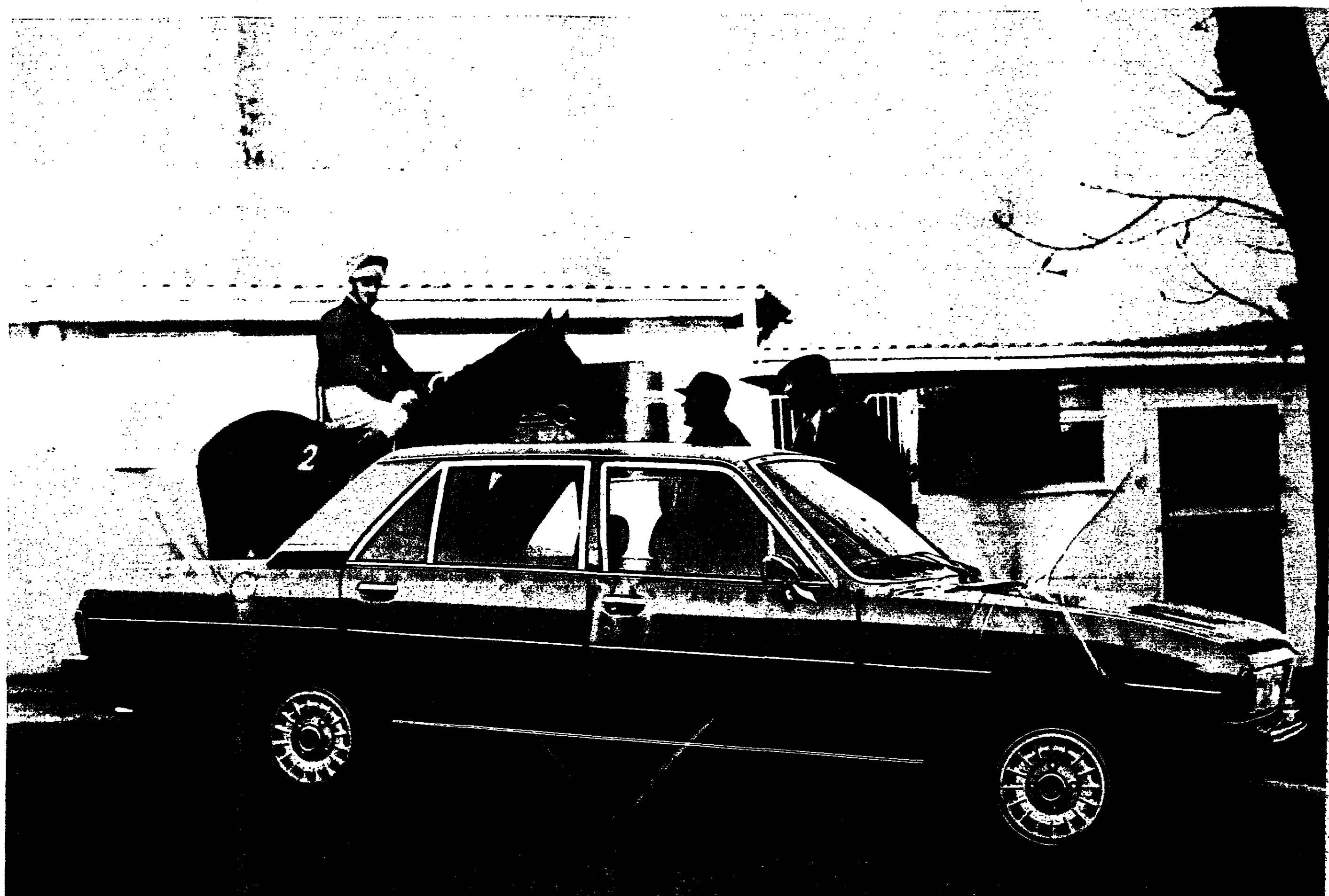
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# The Peugeot 604 TI— A Thoroughbred



The Peugeot 604 TI and the racehorse have many things in common. Poise, dignity and immaculate breeding are some of them. Speed, power and style are others.

But, whilst only the privileged few can afford to own a racehorse, the well-priced 604 TI is in reach of many. Unlike the racehorse which is rather a delicate creature, the car is tough and reliable as well as elegant. Tough and reliable because it's designed that way. For as befits a thoroughbred, only the best is good enough; highly skilled designers and engineers, first class materials, and the most advanced manufacturing technology all combine to produce this true thoroughbred.

The oversquare 2.7 litre V6 engine is built from lightweight aluminium, and has twin camshafts for maximum flexibility. The benefit of using lightweight materials is reflected in the excellent fuel consumption figures (33 mpg at a constant 56 mph\*). Technically it's at the head of the field taking full advantage of the latest developments. The Bosch K-Jetronic fuel injection system accurately meters the fuel/air mixture to increase power and reduce

petrol consumption. The electronic ignition system ensures super smooth starting, and the 5-speed manual gearbox means even smoother, quieter, more economical driving, especially at high speeds. Or, for those who prefer, there's the option of a 3-speed automatic gearbox.

Comfort is naturally of the highest level and the specification of the 604 TI leaves little to be desired; 4 electrically operated windows, subtly tinted glass all round, electrically operated sunroof, power assisted steering, centralised pneumatic door locking system, rear fog lamps and a super deep lustre metallic paint finish to the body with a final coat of clear protective lacquer. The interior is as luxurious as you'd expect and where the 604 really scores is in its spaciousness. As Car magazine said, "rear leg room is almost to limousine standards."

The 604 SL (carburettor model) has always been competitively priced. The 604 TI, with fuel injection and other refinements, represents, at £7582, a first class investment.

And the 604 thoroughbred won't cost you a fortune to run. It's frugal with petrol as we've

shown, but in addition it requires main servicing only once a year, or 10,000 miles (with intermediate check and oil change every 6 months or 5,000 miles). The 604 TI is also covered by Peugeot's straightforward 12 month, unlimited mileage guarantee, and first-class service is assured by our network of fully trained Dealers across the UK.

Let us tell you more about our thoroughbred—send now for details on the 604.

Model	Manual 5 speed gearbox			Automatic gearbox		
	Constant 56mph	Constant 75mph	Simulated urban driving	Constant 56mph	Constant 75mph	Simulated urban driving
Fuel Consumption*	33.2 mpg (8.5 l/100 km)	26.1 mpg (10.8 l/100 km)	16.8 mpg (16.8 l/100 km)	27.4 mpg (10.2 l/100 km)	22.4 mpg (12.6 l/100 km)	16.7 mpg (16.9 l/100 km)
Price Inc. VAT & Car Tax. Delivery & No. Plates Extra	£7581.60	Leather seats, air conditioning £8522.28		£7903.35	Leather seats £8243.82	
					Leather seat, air conditioning £8787.87	

\*In accordance with official government testing procedures. Prices correct at time of going to press. Clothes by Ted Lapidus. Racing stables C. Dingwall

Peugeot Automobiles (UK) Ltd.,  
Peugeot House, 333 Western Avenue,  
London W3 0RS. Tel: 01-993 2331.

**PEUGEOT**  
World famous for strength

## 604, the best Peugeot in the world.

هكناات الأهل







**AN IMPORT/EXPORT AG**  
Capital required. Established  
name. **CL**











## OFFSHORE AND OVERSEAS FUNDS

[illegible][illegible]

CLIVE INVESTMENTS LIMITED	
1 Royal Exchange Ave., London EC3V 3LU.	Tel.: 01-283 1101.
Index Guide as at 10th May, 1978	(Base 100 at 14.1.77)
Clive Fixed Interest Capital .....	128.00
Clive Fixed Interest Income .....	113.80

**CORAL INDEX:** Close 430-485

**INSURANCE BASE RATES**







## INDUSTRIALS—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50

## INSURANCE—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50

## PROPERTY—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50

## INV. TRUSTS—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50

## FINANCE, LAND—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50



**NEW JAPAN SECURITIES**  
Tokyo, Japan  
New Japan Securities Europe Limited  
Frankfurt Office

## MINES—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50
Admiral	10.50	0.10	0.95	100	10.50	10.50	10.50	10.50

## CENTRAL AFRICAN

## AUSTRALIAN

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## COPPER

## MISCELLANEOUS

## NOTES

## TEAS

## India and Bangladesh

## Sri Lanka

## Africa

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## EASTERN RAND

## FAR WEST RAND

## O.F.S.

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## SHOES AND LEATHER



# Big capital outflow from Japan in April

BY DOUGLAS RAMSEY

TOKYO, May 17.

THE FIRST major evidence of Japan's success in promoting the export of capital has surfaced in the April figures for the country's balance of payments, but the overall balance is still in surplus and in dollar terms exports were \$2,240m greater than imports last month.

In releasing the figures today, the Ministry of Finance insisted that although exports were up 14 per cent on the level a year ago in dollar terms, they actually declined by 8 per cent in yen terms because of the appreciation of the yen against the dollar.

Thus, officials said, the rate of export increase appears to have slowed remarkably from the March level, when they rose 22 per cent in value. Meanwhile, imports posted a 9 per cent rise in dollar terms. The resulting trade surplus of \$2,240m was therefore up on the previous April's \$1,800m.

Following March's record \$2,430m current account surplus, the April surplus was larger than many economists expected, at \$1.7 bn, as compared with last April's \$1.23 bn.

The overall balance of payments, however, moved strongly towards equilibrium in April due to a massive outflow of long-term capital and the slowdown in the inflow of speculative funds.

**Bond issues**

The overall surplus fell from \$3.14 bn in March to \$2,300m last month, with most of the turnaround resulting from the switch in the long-term capital account from a small \$211m surplus in March to a \$1.1 bn deficit.

The long-term capital deficit is

# Shawcross hits out at Law Lords' decision

BY MARGARET REID

LORD SHAWCROSS, a former Attorney General, yesterday sharply criticised the recent split 3-2 decision of five Law Lords that there was not a case for extraditing Mr. Richard Tarrow to Singapore to face conspiracy charges.

He respectfully criticised the "legal pusillanimity" of the majority.

He was referring, without naming it, to the appeal hearing in the House of Lords last month when the majority of two Law Lords, Viscount Dilhorne, a former Lord Chancellor, and Lord Edmund-Davies, entered strong contrary opinions.

Mr. Tarrow, a former colleague of the Attorney General, was charged with the more serious conspiracy charges, but still faces extradition on lesser charges concerning accounting matters, though an appeal against this is being made to the Home Secretary.

Lord Shawcross said: "Take the most recent example of a City case in the appeal in the House of Lords in which a bare majority of three to two decided against criminal action."

"I do not want to comment on the merits of that case at all, for I know nothing of them, and have no view and because only one side was heard."

The two Judges most experienced in this sort of field, an ex-Lord Chancellor, concluded there was evidence of criminal conspiracy and one expressed his sense of dismay that

It looks as though a good deal more money is going to be put up this morning for Robert Fleming's £2,850m Eurotherm offer for sale than for the Bank of England's £300m issue of Exchequer 9½ per cent 1982, highlighting the predicament of the authorities after the dismal failure of their tactics over the long-giltedged tap earlier in the week. Some in the market argue that significant amounts of the tap could in fact have been sold if the Government broker had not been so stubborn in refusing to supply at under 65. But that is conjecture, and the important message is that the institutions, despite rising liquidity levels, are not easily going to be stampeded into buying this market.

Worries about monetary trends are becoming more fundamental, and although last week's shocks over the April banking figures and the revised sterling M3 seasonal adjustments have not led to any serious setback in prices, they have clearly undermined the institutions' appetite for stock.

Yesterday, moreover, there were strengthening rumours that the money supply figures due out this afternoon would be even worse than previously expected.

What fund managers feel is not that 13 per cent yields are necessarily inadequate, but that the Government's borrowing requirement is likely to place an altogether excessive pressure on their cash flows this year. In this situation, the traditional official solution of simply jacking yields up to 15 or 17 per cent is not going to make any sense.

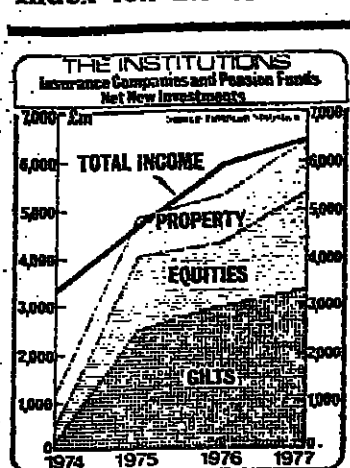
A new paper from brokers Fielding, Newson-Smith sets out the arithmetic, from the starting point of the £60n ceiling for DCE agreed with the IMF. This is a serious constraint this year because the growth of bank lending to the private sector is likely to be accelerating—the brokers suggest a £50n increase for 1978—and the building societies will not be such big buyers of gilts as last year, while foreigners will actually be significant sellers. Fieldings estimate that purchasers of gilt-edged by the insurance companies and pension funds will need to rise from £2,900n in 1977-78 to some £4,600n.

In theory the institutions could cope out of cash flow, say, £7.3bn. But that would mean cutting back on recent

THE LEX COLUMN

# Institutions play hard to get

Index fell 1.3 to 480.3



new financial year, volume seems to be holding up well and larger sales, in particular, are now moving ahead nicely after last year's hiccup.

Consequently, assuming peace on the labour front, first half profits should show a healthy improvement. But further down the line the group has to face up to another round of wage negotiations at a time when inflation could be accelerating and prices are effectively frozen until next year.

## Dupont

Another set of dismal figures from the manufacturing sector came yesterday from Dupont which reported a 30 per cent drop in pre-tax profits to £8m. After adjusting for inflation (the Hyde basis the pre-tax figure is still down, and on 45 per cent of the historical figure, at £31m where the dividend is not fully covered. This stage there is no sign that 1977-78 figures will show any improvement, which means that Dupont is on a prospective p/e of over 20—double that of the market.

## Whitbread

Now that the political cloud has disappeared, Whitbread, in common with the other big brewers, is looking forward to better times. It has a 2p a pint price increase under its belt, labour relations seem to be much happier and, provided there is a reasonable summer, the group should be able to push its profits comfortably above £50m in the current year.

At least this seems to be the stock market's interpretation of the situation. The Whitbread share price has performed strongly against the market recently and yesterday the "A" shares closed 1½p higher at 100½p (a new peak) even though pre-tax profits of £43.5m for 1977-78 are £1.2m lower than the foreign exchange adjustments are stripped out. Indeed, if the company had fully implemented SSAP 12, and just confined to the depreciation of freehold industrial buildings, profits would have been another £2.50m lower.

## Woolworth

If a consumer spending bonanza is really under way there is sign of it in Woolworth's first quarter figures. Nor, apparently, has any major improvement shown through in return for the first couple of weeks of the current period. Trade profits for the first three months came out £18 lower at £7.1 on turnover which is 8 per cent up. Woolworth makes the point that its first quarter figures are always the least significant far as profit calculation is concerned. But at this stage it looks like a return to Woolworth old sluggish pattern. The second and third quarters will have to be well up if Woolworth is to match expectations of 15 per cent profit growth for the year as a whole.

# Master Mariners speak out on tanker wrecks

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

MASTERS OF vessels sailing under flags of convenience sometimes arrive at British ports exhausted because of the pressures of handling an incompetent crew and sailing a ship with defective equipment, a Commons committee was told yesterday.

The accusations came from some of Britain's most senior mariners, representatives of the Honourable Company of Master Mariners and of the Corporation of Trinity House.

Captain John Dowie, one of the 12 wardens of the honourable company and director of operations for Ocean Fleets, part of Ocean Transport and Trading—said that a fundamental cause of disasters involving large oil tankers had been "bad seamanship and bad training."

**Pressure**

The number of substandard ships under convenience flags was "substantial" and vessels under Liberian and Greek flags were those to which British masters were inclined to give a wide berth where possible.

Asked by the committee whether such masters were under pressure to delay calling tug assistance because of expense, Captain Dowie and other witnesses agreed that the "law of commercial return" was sometimes given priority over safety.

Captain Malcolm Edge, a supertanker master in the British Petroleum fleet, said that he knew of foreign flag vessels which had been involved in accidents because they incurred expensive rescue bills.

The danger was that such skippers would delay a call for help "until the point of no return."

Captain Oliver Elsom, a cross-Channel pilot for the European Ferries group, said that such masters were occasionally overstretched to the point of physical exhaustion when navigating in confined waters such as the Straits of Dover.

"Pilots do report from time to time that ships arrive with their masters tired to the point of exhaustion, having got their ships to the point of no return with officers not fully competent to carry out their duties."

"Ships sometimes arrive with equipment not working and without proper navigational equipment," he said.

Part of the responsibility for improving affairs lay with marine insurance companies, Captain Dowie suggested. Insurers should look at the manning of vessels on their books in much greater detail before calculating premiums.

If some form of international standard for the training of officers of large oil tankers could be established "a great many hazards would be removed."

# Elliott Group share deals to be studied

BY JOHN MOORE

A DEPARTMENT OF Trade it is a serious matter that three directors (including the former chairman, Mr. Edmund Smeth) did not notify the sale of 622,150 shares within the five-day period stipulated by the Companies Act.

Under present legislation, a director must tell his company within five business days if he has bought or sold his shares, and the company must disclose this information to the Stock Exchange for publication.

A statement from the Department of Trade said the investigation, to be conducted by inspectors Mr. B. L. Hopper and Mr. W. J. H. White, would be carried out to determine whether contraventions of section 27 of the Companies Act 1967 had occurred.

It is the first investigation of its kind since the Department looked into the share dealings of Mr. Albert Gubay, a former chairman of Kwik Save Discount Group, five years ago.

# BP Minerals makes first metals find in Australia

BY PAUL CHEESRIGHT

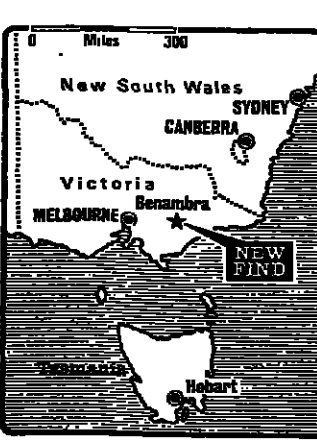
BP MINERALS, set up 15 months ago by British Petroleum, yesterday announced its first success in mining exploration, indicating the possibility of a significant base metal deposit in the Australian state of Victoria.

The company has 49 per cent of a joint venture with Western Mining Corporation, an Australian mining group.

One hole drilled by the partners at their exploration site 95 miles north-east of Melbourne in the Snowy Mountains area intersected what they called "massive sulphides."

Sulphides are a combination of sulphur and a base metal, in this case copper, lead, zinc and silver. By "massive," the companies mean that over a length of 25.5 metres, the minerals were consistently evident, not simply apparent in patches.

The grade of the minerals in terms of a tonne of ore was



Mining were quick to scotch suggestions that they have already found a deposit which could be mined. They face two years drilling before they know the significance of this one intersection.

They had drilled 16 holes before they found the minerals in the seventeenth. If this mineral level is repeated extensively in later holes then they will have come across a very rich deposit close to lines of communication.

Mining companies in the past have been prepared to exploit deposits where the grade is less than 1.0 per cent copper.

The news was enough to cause a flurry of interest in Western Mining shares, and the London Mining price rose 6p to 120p yesterday.

Drilling has nearly finished for the season. The site is difficult to reach in the winter and only one more hole will be drilled before activity is suspended, to be resumed again in the spring.

# Leyland bid to win driving school trade

BY STUART ALEXANDER

LEYLAND IS to woo the 15m learner-driver trade with a package of incentives to the 21,000 driving schools, most of which are one-man, one-car. Incentives include cheap credit or free extras.

In return Leyland hopes that as more people pass the driving test in its cars, more will choose Leylands when they buy a car of their own.

About 32 per cent of the 25,000 driving-school cars are from the Leyland stable, according to a recent survey by the Motor Schools Association.

Last week the biggest of them, the British School of Motoring, said it would make the whole of its fleet Leyland cars if shareholders rejected a bid from Dorada Holdings, which operates Ford and Vauxhall dealerships. BSM has a fleet of 1,500 vehicles.

Now Leyland has widened its attack on the basis that every driving lesson becomes a test drive, and that a newly-qualified driver would prefer not to change to an unfamiliar model.

It is particularly concerned at the strides made by Japanese manufacturers and other importers. The survey estimated that 19.5 per cent of driving-school cars were Datsun Sunnys and Cherys.

The package includes free credit for 12 months or a flat 4 per cent for two years. Cash buyers can choose between free dual controls and £80 of local advertising support, £130 toward a sun roof, or £130 of local advertising support.

In addition Leyland offers £5 a day towards hire of a replacement if the school car is off the road for more than 24 hours for a warranty repair.

Leyland said yesterday that news of the offer had led to an immediate response. It thought that sales would be boosted to at least 3,250 new cars, worth £9m, this year.

Dorada-BSM bid terms, Page 25

## Weather

**UK TODAY**  
Generally warm with showers.  
London, S.E. Cent. S. England 15C (59F).  
Anglia, Midlands  
Fog patches, sunny, isolated showers. Max. 17-18C (63-64F).  
E. Cent. N.E. England  
Fog patches, sunny spells. Max. 15-16C (59-61F).

BUSINESS CENTRES			
City	Y'day	City	Y'day
Amsterdam	14.57	London	15.59
Athens	15.28	Madrid	15.59
Bahran	15.31	Manila	15.59
Barcelona	15.31	Melbourne	15.59
Bombay	15.31	Moscow	15.59
Buenos Aires	15.31	New York	15.59
Calcutta	15.31	Osaka	15.59
Cairo	15.31	Paris	15.59
Cardiff	15.31	Peking	15.59
Chennai	15.31	Rio de Janeiro	15.59
Colon	15.31	Singapore	15.59
Copenhagen	15.31	Sydney	15.59
Dublin	15.31	Taipei	15.59
Edinburgh	15.31	Tokyo	15.59
Frankfurt	15.31	Winnipeg	15.59
Geneva	15.31	Zurich	15.59
Glasgow	15.31		
Hong Kong	15.31		
London	15.31		

## Dismay over metrication decision

By Our Consumer Affairs Correspondent

INDUSTRY leaders greeted the Government's withdrawal of its compulsory metrication programme with dismay yesterday as the Conservatives heralded the move as a victory for themselves and common sense.

The Government said on Monday night that it did not intend pressing ahead with plans to impose statutory cut-off dates on the use of imperial measures in certain sectors of the retail trade.

Mr. Roy Hattersley, Secretary for Prices, yesterday acknowledged that perhaps neither Government or industry had done enough to educate and inform the public about the metric system.

The Government was still absolutely committed to metrication and that it would continue to support "the orderly progress to the use of metric units, with target dates set out for the termination of imperial quantities."

News Analysis, Page 9

## Mini imports resisted

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

THE 18,000 manual workers at Longbridge have voted overwhelmingly to resist plans to import up to 10,000 Minis from Senefle, Belgium.

Shop stewards are hoping to avoid a confrontation by co-operating with management to raise output. Mr. Derek Robinson, the convenor, said shop stewards throughout the plant would be meeting management in the next few days to discuss ways to overcome production problems.

The stewards argue that, with spare capacity and surplus labour at Longbridge, it would be "morally wrong" to import cars from overseas. They blame the failure to meet production targets on "precipitous" management decisions to raise output by importing 1,200 workers from Mini and Allegro production.

Mr. Robinson said about 900 bridge

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